

LEGISLATIVE RESEARCH COMMISSION

STATE-OWNED RENTAL HOUSING



REPORT TO THE 1983 GENERAL ASSEMBLY OF NORTH CAROLINA 1984 SESSION

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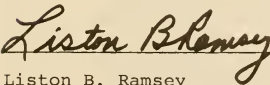
June 7, 1984

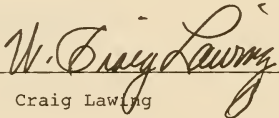
TO THE MEMBERS OF THE 1983 GENERAL ASSEMBLY (1984 SESSION):

The Legislative Research Commission herewith reports to the 1983 General Assembly, Second Regular Session 1984, on the matter of state-owned rental housing. This report is made pursuant to House Bill 1142 (1983 Session Laws, Chapter 905) of the 1983 General Assembly.

This report was prepared by the Legislative Research Commission's Committee on State-Owned Rental Housing and is transmitted by the Legislative Research Commission for your consideration.

Respectfully submitted,


Liston B. Ramsey


W. Craig Lawing

Cochairmen

Legislative Research Commission

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I N T R O D U C T I O N

INTRODUCTION

The Legislative Research Commission, established by Article 6B of Chapter 120 of the North Carolina General Statutes, is composed of twelve legislators who study a broad range of subjects authorized for study by the General Assembly (Membership, Appendix A). During its 1983 Session the General Assembly directed the Legislative Research Commission to study State-owned rental housing.

Senator William N. Martin was appointed as Legislative Research Commission member in charge of the study. Senator Dallas L. Alford, Jr. and Representative George W. Brannan were appointed as Cochairmen of a Committee established to study this subject. These Cochairmen served with eight other members of the Committee; Senators James H. Edwards and Ollie Harris and Representatives C. Melvin Creecy, J. Worth Gentry, Mary P. Seymour, and Edward N. Warren as well as public members Mr. Ben Aiken and Mr. T. R. Lawing (Membership, Appendix B).

Staff assistance was provided to the Committee through the Legislative Services Office. Mrs. Sue Floyd served as Committee Clerk.

House Bill 1142 is an omnibus bill which authorizes the Legislative Research Commission to study many topics, including all State-owned rental housing (Appendix C). Section 2 of House Bill 1142 (Chapter 905, 1983 Session) states:

Sec. 2. State-owned Rental Housing. (a) The Legislative Research Commission is authorized to conduct a study of all State-owned rental housing during the 1983-84 fiscal year and to recommend a comprehensive statewide rental policy, to be administered by the Department of Administration, to the 1984 Session of the General Assembly. This study shall be conducted in consultation with the department that owns the housing. In conducting this study, the Commission shall first determine the amount of nonessential rental housing currently owned by the State using the following criteria: The geographic location of the State property on which the housing is located and its proximity to alternative privately owned housing; the amount of time that would be required for employees to arrive at the State property on which housing is now located in the event of an emergency; the amount of security necessary for State property that is now being provided by State employees living in State-owned rental housing; and any other benefits to the State for the disposition of nonessential rental property by one of three means: sale of the housing and property on which it is located; sale of the housing unit only with the stipulation that the house be removed from State property; and conversion of the housing unit to an alternative use.

(b) It is the policy of the State of North Carolina that the State provide rental housing only in cases in which an essential State purpose is served. Nothing in these sections shall be construed to mean that State departments may not continue to divest themselves of nonessential rental housing during the course of the Legislative Research Commission study.

C O M M I T T E E P R O C E E D I N G S

COMMITTEE PROCEEDINGS

This report is issued as a result of a meeting of the Committee Cochairmen and LRC Member on November 7, 1983, to organize the Committee's work and two meetings of the full Committee on April 10, 1984, and May 11, 1984.

November 7, 1983 Meeting of Leadership

Because of the limited Committee budget, the Legislative Research Commission Member, Senator William N. Martin, and Cochairmen, Senator Dallas L. Alford, Jr., and Representative George W. Brannan, met to organize the work of the Committee. While meeting, they discussed the Committee's budget, authorizing legislation, work of the Joint Base Budget Subcommittee for State-owned Rental Houses which met during the 1983 Session (Subcommittee Recommendations, Appendix D) and concurrent study of many aspects of the subject being made by the Department of Administration (See 1983 Session, Chapter 761, Section 175 [Senate Bill 23], Appendix E).

In preparation for the first full Committee meeting, the staff was directed to follow the work of the Department of Administration which had been instructed to:

recommend a method for establishing statewide rental rates on the essential State-owned rental property that takes into consideration the age, construction, and condition of the housing unit; the fair market value of comparable privately owned housing units in the same locations as State-owned housing; and the benefit to the State, other than rental income, of renting to a State employee.

Additionally, the Committee developed a list of items of information to be requested from State Departments (Appendix F).

April 10, 1984 Meeting

Following the welcoming remarks of Committee Cochairmen, Ms. Christian, Committee Counsel, was recognized to review the Committee's authorizing legislation. The legislation directed the study to be made of all State-owned rental housing for the purpose of recommending a comprehensive statewide rental policy to be administered by the Department of Administration. In consultation with the Department that owns the housing, the Commission (as a result of the report from its Committee) shall recommend the disposition of nonessential rental property by one of three means: (1) sale of the housing and property on which it is located, (2) sale of the housing unit only with the stipulation that the house be removed from State property, and (3) conversion of the housing unit to an alternative use.

Ms. Beth Christensen, Fiscal Analyst for the General Assembly, provided the Committee with an overview of previous legislative study of the issue by the Appropriations Committee during the 1981 and 1983 Sessions of the General Assembly. During the 1983 Session a subcommittee representative of all of state government was appointed to review the issue. Ms. Christensen reported the subcommittee's conclusion that over 1,000 units owned by the State were rented, no uniform regulation or standard for these rentals had been established, and there should be no sales of housing units unless they could be moved from State

property. Finally, the subcommittee recommended that the Legislative Research Commission study these issues.

The Committee then heard Mr. Charles Grady, Director of the Office of State Property with the Department of Administration. He presented Committee members with copies of the Department's report which was developed in response to the charge to the Department contained in Chapter 761 of the 1983 Session Laws (Appendix G). According to Mr. Grady, the report's inventory reflected a total of 1261 rental units. The number of state employees living in these units is 786 and non-state employees total 363; while 112 units are vacant. Presently, 39 units are in the process of being sold through the bid process.

Furthermore, Mr. Grady cited his Department's recommendations. The Department maintains that state-owned rental rates should be adjusted to reflect current market conditions. Three suggested ways to achieve this result are: (1) follow the Federal Government's Department of Housing and Urban Development's "Standard Metropolitan Statistical Area Fair Market Rents" (SMSA); (2) use SMSA figures in combination with recommendations from the respective controlling agencies to establish a formula that is fair to the State and to the occupants; (3) do nothing and leave the situation as it presently exists.

Following this overview of the Department of Administration's study and recommendations, representatives of departments identified by the Department of Administration as owners of housing appeared before the Committee for consultation.

Mr. Jimmie Woodall, Director of Budget and Analysis, the Department of Human Resources, addressed rental housing owned

by his department. He indicated that some of his figures are different from those of the Department of Administration because his count is of buildings and the Department of Administration's count is of individual apartments within a building. Also, his numbers are those used in the Spring of 1983 when the Legislature was updating rent. Since that time some have been sold and a few have been vacated. He reported that the Department of Human Resources has a total of 278 different buildings available and provides over 400 housing units for state employees. Monthly rental rates range from \$42.50 to \$332.00. Since 1979, rental rates have been increased according to salary increases appropriated by the Legislature for state employees until last spring when the Legislature generated a figure of \$1.62 per square foot. For the last several years the Department of Human Resources has been phasing out rental housing by either converting units for some program-related activity or selling the structure for removal. Also, infrequently, there has been some selling of structure and land. Without clear direction, Mr. Woodall stated that they are not able to conclude what units are essential and what are nonessential. He requested specific guidelines from the Committee for formulating a recommendation to them. Finally, he responded to questions of the Committee.

As a follow-up item to the report Mr. Grady presented in the morning, he later distributed some additional information, a list of rental sites by county which were compiled from the report he discussed earlier. In response to questions from Committee members, he identified several specific units (Appendix H).

Committee Counsel was directed to reiterate the charge to the Legislative Research Commission that it recommend a state-wide rental policy to be administered by the Department of Administration. Ms. Christian emphasized that the Committee must rely upon the respective department's determination of nonessential housing in order that it might make its report to the Commission.

Senator Alford recognized Mr. Maurice Weaver, Budget Officer, Department of Agriculture, who stated that someone from each division within his department would report on their specific housing. Mr. Pat Kelly, Director of Research Stations Division spoke first and stated that they determined essential rental housing units as those required for the benefit of the program. They are provided to employees who are required to be on station at no charge. The number of dwellings considered to be essential is 47; nonessential is 33. They are in the process of phasing out those nonessential dwellings by putting them to other use or by selling them. The Committee adopted this recommendation.

Mr. Earl Bell, Manager of State Farms reported that his division has one essential rental housing unit and 18 nonessential. He further recommended that the nonessential be sold for removal from the property. The Committee voted to adopt this recommendation.

Mr. Sam Rand, Manager of the State Fair, reported having three units--one essential unit occupied by the caretaker, one nonessential unit occupied by a maintenance person, and one used for a maintenance office. Mr. Aiken moved for acceptance

of one essential housing unit and for redesignating one unit allowing the maintenance person until January 1985 to relocate. This motion was adopted by the Committee.

Mr. Tom King of the Department of Community Colleges reported that his Department owns no housing.

Mr. Rip Ryon, Deputy Secretary for the Department of Correction, reported 30 rental housing units as being essential and requested an extension of time to prepare an accurate report. The Committee requested that Mr. Ryon verify his findings and furnish a report to the Committee's legal counsel for processing prior to the next meeting.

Mr. Richard Sawyer, Administrator of Historic Sites Section, Department of Cultural Resources, reported having ten rental housing units--eight essential, one in an historic area, and one in the process of being eliminated. The Committee voted to accept this report.

Mr. Alan Waters, the University of North Carolina's Assistant to the Vice President for Finance, was recognized to report on higher education. Realizing that Mr. Waters had not had sufficient notification to prepare a report, the Committee granted him additional time to prepare his report. Mr. Waters made three suggestions to the Committee: (1) do not classify University presidents' and chancellors' housing as rental units, (2) give special consideration to married student, resident manager, and faculty housing, and (3) do not use the statistics included in the Department of Administration's report for declaration of essential and nonessential housing in his department. The Committee requested more-detailed information but adopted the

proposal that chancellors' and presidents' housing not be considered rental property.

Ms. Ann Griffith, the Department of Natural Resources and Community Development, reported that Forestry has 41 rental units and of this number 13 are nonessential. Parks has 53 essential units. Senator Harris moved to accept the report. Representative Warren seconded the motion which carried.

Mr. David Hayes, Assistant Secretary for Management, the Department of Transportation, reported that his department has no rental housing. Occasionally one is purchased in an advance right-of-way acquisition and is rented until it is removed through the process. Representative Warren moved to accept this report, seconded by Representative Brennan. The motion carried.

Senator Alford requested that Mr. Woodall include in his forthcoming report the numbers of essential and nonessential state-owned rental units.

Committee Counsel outlined the time schedule the Committee will be working within in order to comply with Legislative Research Commission's instructions. The Committee leadership recognized the need for additional reporting time and set the next meeting for May 11, 1984.

May 11, 1984 Meeting

The Committee held its final meeting on May 11, 1984 to consider its proposed report to the Legislative Research Commission.

Committee Counsel reviewed the draft Committee Report while indicating that a synopsis of the meeting would be included in the section entitled "Committee Proceedings." She also noted that the designation of nonessential housing units, as approved by the Committee, would be included in the section entitled "Recommendations" along with the approved disposition of non-essential units.

The Committee's receipt of reports from departments owning rental housing began as the Committee commenced its review. Although the departments had produced oral reports at an earlier meeting and subsequently provided written statements reflecting their designation of nonessential rental housing (Appendix J), the Committee recognized the need for a final statement from most of the departments appearing earlier to reconcile earlier statements or to provide additional information.

Mr. T. S. Ryon, Department of Correction, explained the need to have employees available at the various units owned by his Department. He stated that his Department has 36 essential housing units and no nonessential units. The Committee accepted his report.

Mr. Richard Sawyer, Department of Cultural Resources, reported that his Department owned ten housing units at historic sites; nine essential and one nonessential. He further informed the Committee that one is to be removed from the site. Mr. Sawyer stressed the essential feature of security offered by having someone living at these historic sites. The Committee voted to accept this report.

Mr. Maurice Weaver, Department of Agriculture, listed the housing units owned by his Department as follows:

State Farms - 19 nonessential units to be sold for removal
 1 nonessential unit to be converted to other use

Research Stations - 27 nonessential units to be sold for removal
 59 essential units

State Fair - 1 nonessential unit to be converted to other use
 1 essential unit

TOTALS - 60 essential units
 2 nonessential units to be converted to other use
 46 nonessential units to be sold for removal

108 units

The Committee accepted this report.

The Committee then requested that as many departments as time will permit provide a listing of rental housing units with descriptions by locations and include such listing in the Committee's files.

Mr. Jim Woodall, Department of Human Resources, reported that his Department owned a total of 278 rental housing units. Of these, 117 are essential and 161 are nonessential. The Committee directed the Department of Human Resources to furnish actual figures and recommendations for disposal of nonessential units by (1) converting them to other uses, (2) selling the structures for removal from property, or (3) selling the units and property. The Committee directed Counsel to include these figures in the Committee recommendations to the Legislative Research Commission. (See Appendix L.)

Ms. Ann Griffith, the Department of Natural Resources and Community Development, reported that her Department owns the following:

Parks Division - 53 essential units

Forestry Division - 39 essential units

2 nonessential units to be sold for removal

TOTALS - 92 essential units

2 nonessential units to be sold for removal

94 units

Following a motion for acceptance, this report was adopted.

Mr. Alan Waters, the University of North Carolina, reported ownership of 417 units--415 essential and 2 nonessential to be sold (both housing unit and property). (In light of the fact that the nonessential property was an endowment purchase and no money will exchange hands, it was clarified that this sale will have no effect on the General Fund.) The Committee accepted this report.

Mr. Charles Holliday, Acting Director of the Department of Administration, reported ownership of two essential housing units--the Governor's Mansion and the Western Governor's Mansion. This report was approved by the Committee.

Ms. Ann Christian, Legislative Counsel, asked the Department of Administration's representatives if there were any additional Departments owning property and was informed that the Committee had received a report from all departments in their files (Appendix I).

Mr. Jim Johnson, Legislative Research Commission staff member who has previously worked with the committees and departments studying the issue of State-owned rental housing, offered to answer any questions posed by the Committee.

Ms. Ann Christian reviewed legislation charging this Committee with its study. In response, the Committee discussed the issue of whether or not this Committee should raise rental rates. Mr. Johnson responded that establishing a uniform policy for setting rental rates would be responsive to the Committee's charge.

Then Committee Counsel distributed copies of "PROPOSED RECOMMENDATION--RENTAL RATES". Incorporating suggestions of Senator Harris into his motion, Mr. Aiken moved that the following recommendation concerning rental rates be included in the Committee's report to the Legislative Research Commission:

The Department of Administration shall set rental rates and determine maintenance policies for all State-owned rental housing on an annual basis and in consultation with the departments owning the rental housing. In the event of any disagreement with the decision of the Department of Administration regarding rental rates and maintenance, the department that is affected by the decision shall have the right of appeal to the Governor or Council of State pursuant to G. S. 146-31. Rental rates shall be based on factors such as the type of housing, condition of the unit, number of bedrooms, and location of the housing as well as the job requirements and the housing needs of the person domiciled there.

The Committee adopted this recommendation with the instruction that Legislative Counsel would refine the wording as necessary. Mr. Holliday offered his Department's support of this policy.

The Committee, by motion, directed Legislative Counsel to incorporate the departmental reports, as approved, and the forthcoming itemization from the Department of Correction into the Committee's report to the Legislative Research Commission (Appendix M).

Once Committee Recommendations were approved, Counsel then distributed copies of proposed legislation entitled "AN ACT TO DIVEST STATE DEPARTMENTS OF NONESSENTIAL STATE-OWNED RENTAL HOUSING." Consideration was given to incorporating the Committee's policy on rental rates into this legislation, but the Committee concluded that further response from the respective departments would be required prior to amending this legislation. The Committee then adopted the legislation as originally proposed but with an additional sentence setting forth the methods of property disposition.

Representative Brannan and Senator Alford expressed their appreciation to the Committee Members, staff members, and State departments for their diligent efforts and concluded the Committee's work with the adoption of the report.

F I N D I N G S

FINDINGS

1. Although the number of rental units and their associated rents and maintenance costs are constantly changing, the Department of Administration indicates that the State owns approximately 1200 rental housing units. The number of State employees domiciled in these units is 786 or 63%. Non-State domiciliaries number 363 or 29%. This leaves 112 vacancies or 8% of the total number of rental units.

2. Although the General Assembly generated a figure of \$1.62 per square foot rental rate, no standard rental policy or uniform rental rate schedule exists among the various departments. Furthermore, the rental rates and when and how they are set varies widely. Each State department and institution establishes its own policies and sets rents based on factors such as the type of housing, condition of the unit, number of bedrooms, location of the housing and the job requirements of the person domiciled there.

3. Some features are standard to the rental agreements of all departments. They include: (1) utilities paid by the tenant; (2) homeowners insurance or insurance on personal contents is paid by the tenant; (3) fire insurance is covered under the general fire insurance policy through the Department of Insurance for all State-owned facilities; and (4) general repairs and maintenance are handled by the individual departments.

4. The Office of State Personnel very rarely, if ever,

factors housing benefits into the compensation of State employees.

5. Benefits to the State for owning and maintaining rental housing exists in some special circumstances; for instance: (1) if staffing levels are less than adequate and there is a true need for off-duty employees to be nearby in the event of an emergency; (2) pay levels for certain job classifications are too low and the benefit of low-cost housing partially offsets the less competitive wage the State has to offer; (3) sometimes houseparents that lived in the dorms occupied by students are the only staff available to supervise children at night; (4) the security provided by the personnel living on the premises is significantly more valuable than the cost to the State for the housing; (5) the livestock and dairy animals on farm research stations require attention daily, often during non-work hours, and it is essential that employees live on the premises.

R E C O M M E N D A T I O N S

RECOMMENDATIONS

The Legislative Research Commission's Study Committee on State-owned Rental Housing, upon consultation with the department which owns the housing, has conducted a study to first determine the amount of nonessential rental housing currently owned by the State using the following criteria: The geographic location of the State property on which the housing is located and its proximity to alternative privately owned housing; the amount of time that would be required for employees to arrive at the State property on which housing is now located in the event of an emergency; the amount of security necessary for State property that is now being provided by State employees living in State-owned rental housing; and any other benefits to the State for employees to occupy said housing.

1. Based upon the identification of nonessential State-owned rental housing by each department that owns the housing, the Legislative Research Commission's Study Committee on State-owned Rental Housing recommends the sale of the housing and the property on which it is located of the following properties:
 - A. University of North Carolina.....2
 - TOTAL.....2

2. Based upon the identification of nonessential State-owned rental housing by each department that owns the housing, the Legislative Research Commission's Study Committee on State-owned Rental Housing recommends the sale of the following housing units only with the stipulation that the house be removed from State property:

A. Department of Agriculture.....	46*
B. Department of Cultural Resources.....	1
C. Department of Human Resources.....	122
D. Department of Natural Resources and Community Development.....	<u>2</u>
TOTAL.....	171

3. Based upon the identification of nonessential State-owned rental housing by each department that owns the housing, the Legislative Research Commission's Study Committee on State-owned Rental Housing recommends the conversion of the following housing units to an alternative use:

A. Department of Agriculture.....	2*
B. Department of Human Resources.....	<u>39</u>
TOTAL.....	41

*See Appendix K for update of Department of Agriculture nonessential designations.

4. Recognizing that it is the policy of the State of North Carolina that the State provide rental housing only in cases in which an essential State purpose is served, the Legislative Research Commission's Study Committee on State-owned Rental Housing recommends the departments regularly review their inventory of rental housing, using the criteria adopted by the Legislative Research Commission to determine nonessential rental housing, and continue to divest themselves of nonessential rental housing.

5. The Department of Administration shall set rental rates and determine maintenance policies for all State-owned rental housing on an annual basis and in consultation with the departments owning the rental housing. In the event of any disagreement with the decision of the Department of Administration regarding rental rates and maintenance, the department that is affected by the decision shall have the right of appeal to the Governor or Council of State pursuant to G.S. 146-31. Rental rates shall be based on factors such as the type of housing, condition of the unit, number of bedrooms, and location of the housing as well as the job requirements and the housing needs of the person domiciled there.

R E C O M M E N D E D L E G I S L A T I O N

A BILL TO BE ENTITLED

AN ACT TO DIVEST STATE DEPARTMENTS OF NONESSENTIAL STATE-OWNED RENTAL HOUSING.

The General Assembly of North Carolina enacts:

Section 1. It is the policy of the State of North Carolina that the State provide rental housing only in cases in which an essential State purpose is served.

Sec. 2. All State-owned rental property must be designated essential or the State department owning the property must divest itself of the property. In making the determination that the property is essential, the State department shall first determine the amount of nonessential rental housing that is currently owned by the State using the following criteria: The geographic location of the State property on which the housing is located and its proximity to alternative privately owned housing; the amount of time that would be required for employees to arrive at the State property on which housing is now located in the event of an emergency; the amount of security necessary for State property that is now being provided by State employees living in State-owned rental housing; and any other benefits to the State for employees to occupy said housing. Each Department shall recommend disposal of its property by one of three means: (1) sale of the housing and property on which it is located; (2) sale of the housing unit only with the stipulation that the house be removed from State property; and (3) conversion of the housing unit to an alternative use. The Department of Administration shall then dispose of this nonessential State-owned rental housing

pursuant to the approval of the Council of State and the procedures set forth in Chapter 146 of the North Carolina General Statutes.

Sec. 3. This act shall become effective upon ratification.

A P P E N D I C E S

STATE OF NORTH CAROLINA
LEGISLATIVE RESEARCH COMMISSION
STATE LEGISLATIVE BUILDING
RALEIGH 27611



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1983 - 1985

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Senator William Martin

Senator William Staton

Senator Joseph Thomas

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STATE OF NORTH CAROLINA
LEGISLATIVE RESEARCH COMMISSION
STATE LEGISLATIVE BUILDING
RALEIGH 27611



MEMBERSHIP OF THE
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Representative Worth Gentry

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Mr. Ben Aiken

Mr. T. R. Lawing

Senator William Martin, LRC Member

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1983

RATIFIED BILL

CHAPTER 905 HOUSE BILL 1142

AN ACT AUTHORIZING STUDIES BY THE LEGISLATIVE RESEARCH COMMISSION AND BY THE COMMISSION ON CHILDREN WITH SPECIAL NEEDS AND MAKING TECHNICAL AMENDMENTS RELATING THERETO.

The General Assembly of North Carolina enacts:

Section 1. The Legislative Research Commission may study the topics listed below. Listed with each topic is the 1983 bill or resolution that originally proposed the study and the name of the sponsor. The Commission may consider the original bill or resolution in determining the nature, scope and aspects of the study. The topics are:

- (1) Continuation of the Study of Revenue Laws (H.J.R. 16 - Lilley); and the ramifications, if enacted, of H.B. 746, Appraisal of Subdivided Tract (Auman) and H.B. 1250, No Intangible Tax/Income Surtax (Auman),
- (2) Continuation of the Study on the Problems of the Aging (H.J.R. 44 - Economos; S.J.R. 16 - Gray),
- (3) Continuation of the Study on Insurance Regulation (H.B. 63 - Seymour) and Insurance Laws and Regulation of Insurance Industry (H.B. 1243 - Hightower),
- (4) Teaching of Computer Literacy in the Public Schools and Community Colleges (H.J.R. 191 - Berry) and the Continuation of Study of College Science Equipment (H.J.R. 898 - Enloe),
- (5) Adequacy of State Management of Large-Scale Land Clearing and Peat Mining (H.J.R. 220 - Evans),
- (6) Adequacy of Existing Water Pollution Control Programs to Improve and Protect Water Quality in the State (H.J.R. 232 - Evans),
- (7) Marketing of Seafood by Fishermen (H.J.R. 896 - Chapin),
- (8) Continuation of Study on the Economic Social and Legal Problems and Needs of Women (H.J.R. 904 - Easterling; S.J.R. 329 - Marvin),
- (9) Regulation of Nonpublic and Public Post-Secondary Educational Institutions (Joint Resolution 33 (H.J.R. 988 - Thomas)),
- (10) Readable Insurance Policies (H.B. 1069 - Ballance),
- (11) State Government Risk Management (H.J.R. 1083 - Seymour),
- (12) Biotechnology Development (H.B. 1122 - Etheridge, Bobby and H.J.R. 1282 - Etheridge, Bobby; S.J.R. 620 - Hancock),
- (13) Continuation of Study of the State's Interest in Railroad Property (H.B. 1142 - Hunt),
- (14) Restricting Driving by Minors (H.J.R. 1149 - J. Jordan),

- (15) Health Professionals (H.J.R. 1194 - Diamont),
- (16) Water Quality in Haw River and B. Everett Jordan Reservoir (H.J.R. 1257 - Hackney),
- (17) Regulation of Alcoholic Beverages on State Property (H.J.R. 1292 - Clark),
- (18) Disposition of Animals by Animal Shelters and Pounds (H.J.R. 1309 - Stamey),
- (19) Boards, Commissions, and Councils in the Executive Branch (H.J.R. 1321 - Hunt),
- (20) Feasibility of a Food Distribution Facility on Dix Farm Property in Raleigh (H.J.R. 1334 - James),
- (21) Implementation of Identification and Labelling of Toxic or Hazardous Substances as Proposed by House Bill 1339 (Payne),
- (22) Water Resources Issues Involving North Carolina and Virginia (H.J.R. 1404 - Church),
- (23) Investment Guidelines for Eleemosynary Institutions and Funds (H.J.R. 1423 - Musselwhite),
- (24) Child Support Collection Procedures (H.J.R. 1439 - Easterling; S.J.R. 675 - Woodard, W.),
- (25) Contamination of Unpackaged Foods (H.J.R. 1441 - Stamey),
- (26) Legislative Communications Confidentiality (H.R. 1461 - Miller),
- (27) Continuation of the Study of Information Processing Resources in State Government (S.J.R. 44 - Alford),
- (28) Regulation and Taxation of Banks, Savings and Loans and Credit Unions (S.J.R. 381 - Edwards of Caldwell),
- (29) District Attorney Standards (S.B. 496 - Hipps),
- (30) Cost of Providing Attorneys and Guardians Ad Litem to Indigents (S.J.R. 643 - Swain),
- (31) Public Health Facility Laws (S.J.R. 656 - Hancock), and Review of Certificate of Need Procedures (H.J.R. 1294 - Economos),
- (32) Life Care Arrangements (S.J.R. 657 - Hancock),
- (33) Worthless Checks (S.J.R. 661 - Thomas of Henderson),
- (34) State-owned Rental Housing as contained in Section 2 of this act,
- (35) User Fees at State-owned Facilities, as contained in Section 3 of this act,
- (36) Motorboat Titles and Liability Insurance, as contained in Section 4 of this act,
- (37) Motor Vehicle Inspection Program, as contained in Section 5 of this act,
- (38) Continuation of the Study of Day Care (H.J.R. 594 - Colton),
- (39) Continuation of the Study on Twelfth Grade (H.J.R. 753 - Mauney; S.J.R. 343 - Tally),
- (40) Procedure for Incorporating Municipalities (S.J.R. 445 - J. Edwards),
- (41) Solar Law (S.J.R. 670 - Walker),

- (42) Statutory Liens (S.J.R. 680 - Edwards of Caldwell),
(43) In-service Training of Teachers in North Carolina History, the American Economic System, Free Enterprise Concepts, and Legal Topics (H.B. 1281 - Foster).

Sec. 2. State-owned Rental Housing. (a) The Legislative Research Commission is authorized to conduct a study of all State-owned rental housing during the 1983-84 fiscal year and to recommend a comprehensive statewide rental policy, to be administered by the Department of Administration, to the 1984 Session of the General Assembly. This study shall be conducted in consultation with the department that owns the housing. In conducting this study, the Commission shall first determine the amount of nonessential rental housing currently owned by the State using the following criteria: The geographic location of the State property on which the housing is located and its proximity to alternative privately owned housing; the amount of time that would be required for employees to arrive at the State property on which housing is now located in the event of an emergency; the amount of security necessary for State property that is now being provided by State employees living in State-owned rental housing; and any other benefits to the State for employees to occupy said housing: The Commission shall recommend the disposition of nonessential rental property by one of three means: sale of the housing and property on which it is located; sale of the housing unit only with the stipulation that the house be removed from State property; and conversion of the housing unit to an alternative use.

(b) It is the policy of the State of North Carolina that the State provide rental housing only in cases in which an essential State purpose is served. Nothing in these sections shall be construed to mean that State departments may not continue to divest themselves of nonessential rental housing during the course of the Legislative Research Commission study.

Sec. 3. User Fees. The Legislative Research Commission is authorized to study the potential for user charges and admission fees at State-owned cultural, recreational and historical facilities. The study may cover museums, historic sites, marine resource centers as well as other facilities. The Legislative Research Commission may make an interim report to the 1984 Regular Session of the 1983 General Assembly and may make a final report to the 1985 General Assembly.

Sec. 4. Motorboat Titles and Liability Insurance. The Legislative Research Commission of the General Assembly is authorized to study the issue of motorboat titles and liability insurance. The study may include start-up and administrative costs, potential revenues, phase-in plans, financial institution requirements, etc. The Commission may report to the 1984 Session.

Sec. 5. Motor Vehicle Inspection Program Study. The Legislative Research Commission may study the effectiveness of the motor vehicle inspection program required by Article 3A of Chapter 20 of the General Statutes. The study may consider, among other aspects, the impact on highway safety, cost

effectiveness of the program, and probable impact of eliminating part or all of the program.

Sec. 6. For each of the topics the Legislative Research Commission decides to study, the Commission may report its findings, together with any recommended legislation, to the 1984 Session of the General Assembly or to the 1985 General Assembly, or the Commission may make an interim report to the 1984 Session and a final report to the 1985 General Assembly.

Sec. 7. G.S. 120-30.17 is amended by adding two new subsections to read:

"(7) to obtain information and data from all State officers, agents, agencies and departments, while in discharge of its duty, pursuant to the provisions of G.S. 120-19 as if it were a committee of the General Assembly.

(8) to call witnesses and compel testimony relevant to any matter properly before the Commission or any of its committees. The provisions of G.S. 120-19.1 through G.S. 120-19.4 shall apply to the proceedings of the Commission and its committees as if each were a joint committee of the General Assembly. In addition to the other signatures required for the issuance of a subpoena under this subsection, the subpoena shall also be signed by the members of the Commission or of its committee who vote for the issuance of the subpoena."

Sec. 8. Section 1 of Chapter 1372, Session Laws of 1981, is amended by deleting "as authorized in Section 2 of Resolution 61, Session Laws of 1981".

Sec. 9. Section 1(3) of Chapter 1372, Session Laws of 1981, is amended by deleting "1983 Session", and inserting in lieu thereof "1983 and 1985 Sessions".

Sec. 10. G.S. 124-5 is amended by deleting "June 1, 1983", and inserting in lieu thereof "the date of convening of the 1985 Regular Session of the General Assembly".

Sec. 11. The last sentence of G.S. 124-5 is amended by deleting "11-month period", and inserting in lieu thereof "period ending on convening of the 1985 Regular Session."

Sec. 12. Deaf/Blind School Move--Commission on Children with Special Needs. (a) The Commission on Children with Special Needs, established by Article 12 of Chapter 120 of the General Statutes, may study the issue of transferring the State schools for the Deaf and the Governor Morehead School for the Blind to the jurisdiction of the State Board of Education.

(b) The Commission may make a final report to the Second Session of the 1983 General Assembly. (H.J.R. 246 - Fenner)

Sec. 13. Bills and Resolution References. The listing of the original bill or resolution in this act is for references purposes only and shall not be deemed to have incorporated by reference any of the substantive provisions contained in the original bill or resolution.

Sec. 14. This act is effective upon ratification.
In the General Assembly read three times and ratified,
this the 21st day of July, 1983.

JAMES C. GREEN

James C. Green
President of the Senate

LISTON B. RAMSEY

Liston B. Ramsey
Speaker of the House of Representatives

Joint Base Budget Subcommittee
on
State-Owned Housing

Membership:

Representative Vernon James, Chrm.
Representative Jo Foster
Representative Dan Devane

Senator Cass Ballenger
Senator Dennis Winner

Purpose:

To review rental charges made in the various departments for state-owned housing and to develop a statewide policy and rate schedule for rental of housing to state employees.

Findings:

- A. The State rents approximately 1,000 units throughout the state. These rental units are owned by the Departments of Agriculture, Cultural Resources, Human Resources and Natural Resources and Community Development; the sixteen constituent institutions of the University; and the Wildlife Resources Commission.
- B. No standard rental policy or uniform rental rate schedule exists among the various departments. In fact, rental rates and when and how they are changed varies widely. Each state department and institution establishes its own policies and sets rents based on a number of factors, including type of housing, condition of the unit, number of bedrooms, accessibility to a town, job requirements, etc.
- C. Standard among all the departments were:
 - (1) The utilities are paid by the tenant.
 - (2) Homeowners insurance or insurance on personal contents is paid by the tenant.
 - (3) Fire insurance is covered under the general fire insurance policy through the Department of Insurance for all state-owned facilities.
 - (4) General repairs and maintenance are handled by the individual departments.
- D. In most cases, it would not be practical to sell the housing unit unless it was moved to another location.

Recommendations:

After reviewing data submitted to us by the departments, our subcommittee feels that a uniform statewide policy governing rental agreements and rates charged is needed. However, it is impossible for us to look at each individual department's rental units and the related rates charged, lease agreements, and other pertinent data needed to develop such policies within the time allowed for our subcommittee's work. Moreover, since some departments have recently increased rents and others have not, an interim recommendation to increase rent by a percentage across-the-board, until a study could be made, would be unfair.

Therefore our subcommittee recommends that:

- A. The Legislative Research Commission conduct a study of all state-owned housing and make recommendations to include (1) the amount of non-essential rental housing currently owned by the state, (2) alternative uses of non-essential rental housing, (3) the method of disposition of non-essential rental housing that could not be used for other purposes, and (4) the method for establishing statewide rental rates.
- B. The State Property Office of the Department of Administration coordinate with the various departments in gathering the data necessary for the Commission's deliberations.

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 1983
RATIFIED BILL
CHAPTER 761

SENATE BILL 23

AN ACT TO MAKE APPROPRIATIONS FOR CURRENT OPERATIONS OF STATE DEPARTMENTS, INSTITUTIONS, AND AGENCIES, AND FOR OTHER PURPOSES.

The General Assembly of North Carolina enacts:

Section 1. The appropriations made herein are for maximum amounts necessary to provide the services and accomplish the purposes described in the budget. Savings shall be effected where the total amounts appropriated are not required to perform these services and accomplish these purposes and, except as allowed by the Executive Budget Act, or as hereinafter provided, the savings shall revert to the appropriate fund at the end of the biennium.

An outline of the provisions of the act follows this section. The outline shows the heading "-----CONTENTS/INDEX-----" and it lists by general category the descriptive captions for the various sections and groups of sections that make up the act.

-----CONTENTS/INDEX-----

(This outline is designed for reference only, and it in no way limits, defines, or prescribes the scope or application of the text of the act.)

PART I.-----CURRENT OPERATIONS/GENERAL FUND

Sec. 2.

PART II.-----CURRENT OPERATIONS/HIGHWAY FUND

Sec. 3.

PART III.-----APPROPRIATION OF FEDERAL BLOCK GRANT FUNDS

-----OIL RE-REFINING FACILITY

Sec. 172. The General Assembly urges the Department of Administration to sell the oil re-refining facility. The General Assembly finds that the State has initiated this innovative technology and should now turn it over to private enterprise.

-----COMMUTING POLICY

Sec. 173. G.S. 143-348(8)i.7a. is amended by rewriting the first sentence of the third paragraph to read:

"Every individual who uses a State-owned passenger motor vehicle, pick-up truck, or van to drive between his official work station and his home, shall reimburse the State for these trips at the current motor pool rate established by the Department of Administration."

Sec. 174. The last sentence of the third paragraph of G.S. 143-348(8)i.7a. is amended by deleting "every 60 days" and inserting in lieu thereof "every 90 days".

Sec. 174.1. (a) Section 61, Chapter 1282, Session Laws of 1981 (Regular Session, 1982) is amended by deleting "1982-83 fiscal year", and inserting in lieu thereof "1983-85 biennium".

(b) This section is effective July 1, 1983.

-----STATE-OWNED RENTAL HOUSING

Sec. 175. (a) The Department of Administration shall recommend a method for establishing statewide rental rates on the essential State-owned rental property that takes into consideration the age, construction, and condition of the housing unit; the fair market value of comparable privately owned housing units in the same locations as State-owned housing; and the

benefit to the State, other than rental income, of renting to a State employee.

The Department shall submit its report to the Speaker of the House and the Lieutenant Governor no later than April 1, 1984.

(b) It is the policy of the State of North Carolina that the State provide rental housing only in cases in which an essential State purpose is served. State departments may continue to divest themselves of nonessential rental housing prior to the Department of Administration's recommendation or during any other authorized study.

PART XX-----OFFICE OF THE GOVERNOR

-----NEED BASED STUDENT LOANS

Sec. 176. G.S. 143-47.21 is amended by deleting "Medical Student Loans" and inserting in lieu thereof "Student Loans".

Sec. 177. G.S. 143-47.21 is further amended by adding immediately after the word "professionals" the words ", or leading to graduation as mathematicians or scientists".

Sec. 178. The catch line to Article 2D of Chapter 143 of the General Statutes is amended by deleting the word "Medical".

Sec. 179. G.S. 120-123(33a) is amended by deleting the word "Medical".

Sec. 180. G.S. 143-47.24 is amended in the first paragraph by adding new sentences to read: "The loans administered pursuant to this Article shall be repaid in a manner

APPENDIX F

ITEMS OF INFORMATION TO BE REQUESTED FROM STATE DEPARTMENTS:

1. List State-owned properties by category of use.
2. Describe how the property is used (include extent of use).
3. Explain if this property is essential to the efficient and effective operation of the department and why.
4. Would an alternate use be of more benefit to the State?
5. If the property is not essential to the operation of the department, does the State otherwise substantially benefit from its continued use as a unit of rental?
6. What is the actual cost to the State resulting from maintenance, utilities, security, etc. (include deficit if rental rate is below fair market value)?
7. Describe the benefits and liabilities of having a tenant (or user) cover at least the actual cost of this property to the State.
8. Please provide any comments you have in terms of recommended policy implications.

North Carolina
Department of Administration
116 West Jones Street
Raleigh 27611



James B. Hunt, Jr. Governor
Jane Smith Patterson, Secretary

State Property Office
Charles E. Grady, Jr., Director
(919) 733-4346

March 30, 1984

Senator Dallas L. Alford, Jr.
Representative George W. Brannan
Legislative Office Building
300 North Salisbury Street
Raleigh, North Carolina

Dear Senator Alford and Representative Brannan:

As requested by the 1983 Session Laws, the State Property Office has prepared the following data concerning State-owned rental housing. Two extensive questionnaires to every involved agency were sent out during November and December of 1983. These completed questionnaires have produced the following data which is summarized herein.

Rental housing is defined as a building or space in a building that is maintained by the State for use as housing by employee or non-employee, or is vacant but normally maintained for housing. There may or may not be rent charged. In some cases a rent-free or a reduced rent is charged as a concession for work performed. Examples would be student residence hall advisors on reduced dorm fees or chancellors living rent-free in a home provided for them on a State supported campus. Normal dorm space to students is not considered in this study as they are reportedly self-supporting through student fees State-wide.

It must be kept in mind that the number of rental units and their associated rents and maintenance cost are constantly changing. At the date of this report, the total number of rental units is considered to be 1261. The number of State employees domiciled in this 1261 is 786 or 63%. Non-State employees total 363 with 112 vacancies, 29% and 8% respectively.

Of the 1261 total units, 39 are in the process of being sold or in some way permanently removed from the rental housing categorization.

According to information from the questionnaires, 47% or 589 State employees out of the total 1261 could live off-site in non-state supported private housing. Out of this 589, 16% or 97 are presently vacant. These 589 personnel are considered non-essential on-site employees: they could perform their employment tasks just as well living elsewhere.

The departments with the greatest number of non-essential on-site employee housing, according to the questionnaire, are Human Resources and Higher Education, with 420 and 421 respective positive answers. Following is a total list by Department of non-essential on-site housing units. Presently there are 97 of these non-essential units vacant.

<u>Department</u>	<u>Number of Non-essential Units</u>
Higher Education	421
Human Resources	420
Corrections	35
NRCD	33
Agriculture	15
Administration	2
Cultural Resources	1

Of the total number of State employees domiciled (786) 146 of these have rents that are directly related to their salary by their various departments and by various methods of computations. 622 State employees' rents out of the 786 are not related to salary in any way. The remaining 18 employees are considered unknown. Either the questionnaire responder was unaware of the relationship or failed to answer the question.

In preparing this report and final rental housing computer printout, each rental unit is placed in one of five dollar amount categories. These five categories are as follows: \$0-20, \$21-40, \$41-50, \$51-99, \$100+. The breakdown in these categories can be summarized as follows:

Rent Charged:	<u>\$0-20</u>	<u>\$21-40</u>	<u>\$41-50</u>	<u>\$51-99</u>	<u>\$100+</u>
Employee	162	99	81	139	299
Non-Employee	20	0	0	6	97 337
Vacancies	15	39	47	8	1

In many cases utilities are included within these rent charges. In 358 rental units, the main source of heat is included in rent. In 903 units it is not. In 1,005 units water is included in the rent. In 256 it is paid separately by the renter.

Using the five categories the breakdown of the main source of heat being included in rental charge is as follows:

Rent Charged:	<u>\$0-20</u>	<u>\$21-40</u>	<u>\$41-50</u>	<u>\$51-99</u>	<u>\$100+</u>
Employee	58	11	0	16	26
Non-Employee	0	0	0	1	246
Vacancies	0	0	0	0	0

During December, a second questionnaire was sent out to all Department Heads seeking actual cost to the State of each rental unit. In many cases, due to collective accounting methods, these costs are difficult to secure. The following summary, however, is presented as a best estimate of cost. Dorms and resident advisors were not included in this second survey. Since the first questionnaire was received many rental units have been changed to other uses. Of the total number of rental units, 241 are actually losing money, 111 are breaking even, and 344 have positive cash flow. A more detailed exhibit exists showing costs by complex and asset number following this narrative.

If the State-owned rental rates are to be adjusted to reflect current market conditions, we feel that two good alternatives exist. First, the Federal Government's Department of Housing and Urban Development's "Standard Metropolitan Statistical Area Fair Market Rents", published normally every year, should be used. These SMSA figures are reportedly accurate and reflect the economic conditions and current monthly rental rates including utilities in each North Carolina county. These rates are based on the 45th percentile of local rental rates. New housing and public housing rates are eliminated from the statistics. Fifty-five percent of the renters in each area pay above the SMSA rates and forty-five percent pay below. We feel these Federal figures to be accurate and would be an excellent method of bringing our own State-owned rental housing rates into a more current posture. It must be kept in mind that if SMSA figures are used, any State-owned sub-standard housing would have to be brought up to current rentable conditions.

A second alternative exists by using SMSA figures in conjunction with suggestions and comments from the controlling agencies. These Agency suggestions could include comments on location, condition, amenities, necessity of personnel in remote areas, over-adequacy or even the desirability of keeping the unit as rental housing. The rates then could be adjusted by the State Property Office to reflect any unusual factors.

Finally, the rates and methods of determining these rates may be left as it exists now, each Department controlling its own housing, the employees chosen to live within, and the rates charged for each unit.

The exhibits included at the end of this report are as follows:

Exhibit A: Number of occupied units by departments.

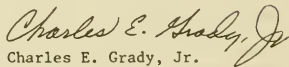
Exhibit B: Counties containing rental sites.

Exhibit C: Summaries of computerized information.

Exhibit D: Actual rental costs by units.

Exhibit E: SMSA rental figures.

Very truly yours,


Charles E. Grady, Jr.

CEG/TR/SDM

Number of Occupied Units by Departments

Agriculture	62
Corrections	34
Cultural Resources	9
(Does not include Governor's residence)	
NRCD (Parks, Fish Hatcheries, Game Lands)	46
Forest Resources	38
WRC	15

Human Resources

Dorothea Dix Hospital	113
John Umstead Hospital	8
Governor Morehead School	4
Central School for the Deaf	7
Eastern School for the Deaf	16
School for the Deaf (Morganton)	19
Stonewall Jackson	3
Broughton Hospital	138
	(Vacant: 59)
Cherry Hospital	66
	(Vacant: 5)
Samarkand Manor	3
Dobbs School for Girls	3
Juvenile Evaluation Center	8
Caswell Center	16
(All houses to be sold at Caswell)	

Educational Facilities

ASU	26
A&T	24
Elizabeth City State	20
Western Carolina University	39
UNC-Charlotte	7
UNC-Chapel Hill	19
NCSU	38
UNC-Wilmington	3
Pembroke	4
East Carolina University	2
NC School of the Arts	6
UNC-Asheville	2
WSSU	1
NC Central	10
UNC-Greensboro	9
Fayetteville State	1
UNC-Chinqua-Penn Plantation	2
UNC-Greensboro Piney Lake	2
UNC-Chapel Hill Quail Roost	1
UNC-Chapel Hill Animal Care Facility	1
Administration-Math/Science Director's Home	1
(Not titled in name of State as of yet)	
NCSU Research Stations and 4-H camps	22

Rental Sites By County

03 Alleghany	59 McDowell
05 Ashe	60 Mecklenburg
07 Beaufort	62 Montgomery
08 Bertie	63 Moore
09 Bladen	64 Nash
10 Brunswick	65 New Hanover
11 Buncombe	66 Northampton
12 Burke	67 Onslow
13 Cabarrus	68 Orange
16 Carteret	70 Pasquotank
24 Columbus	71 Pender
25 Craven	74 Pitt
26 Cumberland	77 Richmond
31 Duplin	78 Robeson
32 Durham	79 Rockingham
33 Edgecombe	80 Rowan
34 Forsyth	82 Sampson
36 Gaston	84 Stanly
37 Gates	85 Stokes
39 Granville	86 Surry
41 Guilford	91 Vance
42 Halifax	92 Wake
43 Harnett	93 Warren
44 Haywood	94 Washington
45 Henderson	95 Watauga
49 Iredell	96 Wayne
50 Jackson	98 Wilson
51 Johnston	00 Yancey
54 Lenoir	

CODING FOR RENTAL HOUSING SURVEY

Utilities included in rent	E- Electricity G- Gas F- Fuel (oil) W- Water O- Other N- None
Rental adjustment	1- Annually 2- Two years 3- Three years or more U- Unknown N- None
Rental reviewed	1- Annually 2- Two years 3- Three years or more U- Unknown N- None
Rent related to salary	Y- Yes N- No U- Unknown
Outside condition	E- Excellent G- Good P- Poor U- Unknown
Inside condition	E- Excellent G- Good P- Poor U- Unknown
Number of bedrooms	1-10 1 to 10 bedrooms
Number of half baths	1-10 1 to 10 half baths
Number of full baths	1-10 1 to 10 full baths

Type of construction	S- Solid brick BV- Brick Veneer B- Concrete block W- Wood O- Other
Heat	C- Central S- Space heater U- Unknown
Heat owned	T- Tenant S- State U- Unknown
Air conditioning	Y- Yes N- No U- Unknown
Air conditioning owned	T- Tenant S- State U- Unknown
Fuel	G- Gas E- Electricity F- Fuel (oil) W- Wood O- Other
Water	W- Well C- City O- Other
Reside off State	Y- Yes N- No U- Unknown

STATE EMPLOYEES - 786

NON-STATE EMPLOYEES - 363

VACANCIES - 112

Utilities Included in Rent						Rental Adjustment						Rental Review						Rent Related to Salary			Outside Condition				Inside Condition			
E	G	F	W	O	H	1 yr.	2 yr.	3 yr.	UNE	None	1 yr.	2 yr.	3 yr.	UNE	None	Y	N	UNE	E	Good	Poor	UNE	E	Good	Poor	UNE		
85	0	0	67	84	21	96	3	1	10	0	4	3	0	105	0	0	106	6	0	96	14	2	0	96	15	1		

EXHIBIT - D

COST/INCOME PER UNIT

COMPLEX NO.	COMPLEX NAME	YR CONST.	ASSET NO.	COST	INCOME
0003	Mt. Mitchell State Park	1953	4	\$ 162.49	
		1950	6		23.68
		1950	7		83.68
		1950	8	36.32	
0304	Stone Mt. State Park	1962	1		302.43
		—	2		122.43
		1970	3		182.43
		—	4		62.43
		1850	5	VACANT	
		1800	9	VACANT	
		—	27		122.43
404	Wadesboro Prison Unit	1940	13	VACANT	
0501	FR Mt. Jefferson Tower Site	1940	2	746.00	
0502	AGRIC. Upper Mt. Res. Station	1945	1	VACANT	
		1965	3	0	0
		1958	5		868.85
		1950	9	VACANT	
		1950	13		571.52
		1945	23	0	0
		1968	33	0	0
0604	FR Gill St. For. Nursery	1972	7	1,700.00	
		1975	9	5,500.00	
		1975	10	5,500.00	
		1969	16	20.00	
702	FR Reddit Tower Site	1936	2		172.40
0703	Historic Bath	1915	12		882.00
0706	Goose Creek State Park	1982	13		285.19

COST/INCOME PER UNIT

COMPLEX NO.	COMPLEX NAME	YR CONST.	ASSET NO.	COST	INCOME
0802	AGRIC. Peanut Belt Research Station	1969	3	\$ 607.00	
		1954	4	235.50	
		1954	16		600.00
0902	FR Jones Lake Tower Site	1941	2		317.50
0904	FR Bladen LakesState Forest	1936	20		442.54
		1936	22		363.65
		1957	24		395.35
0905	Jones Lake State Park	1948	4	90.35	
		1964	5	0	0
0915	Singletary Lake Park	1950	16		133.15
		1972	21		240.00
1002	FR Bolivia Tower Site	1936	2	60.50	
1003	FR Shallotte Tower Site	1939	2	156.25	
1005	FR Riegal Tower Site	1939	2		214.25
1014	FR Bear Pen Air Strip	1954	5		1,473.30
1101	Western Governor's Residence	1948	1	14,787.00	
1103	HR-YS Juvenile Evaluation Center	1941	26		583.35
		1941	27		909.59
		1941	28		446.55
		1941	29	2,792.33	
		1941	30		627.52
		1941	32		208.07
		1941	33		141.41
		1941	34	807.17	
1104	FR High Windy Tower Site	1950	2	50.00	
1105	FR Spivey Mt. Tower Site	1952	2	50.00	

COST/INCOME PER UNIT

COMPLEX NO.	COMPLEX NAME	YR CONST.	ASSET NO.	COST	INCOME
1114	UNC-Asheville	1924	22	<u>CHANCELLOR RES.</u> 8,384.00	
1115	NCSU Swannanoa 4-H Camp	1960	1	0 <u>CARETAKERS RES.</u>	0
1201	HR NC School for the Deaf	1934	30	629.84	
		1925	31	1,676.40	
		1915	32	610.40	
		1944	33	289.84	
		1925	34	720.16	
		1954	35	704.40	
		1890	36	3,341.88	
		1951	37	1,713.88	
		1951	38	1,405.24	
1204	FR Benns Knob Tower Site	1961	2	152.00	
1207	HR Broughton Hospital	1947	4		1,385.17
		1937	8		1,019.10
		1948	9		2,858.78
		1937	10		3,737.22
		1948	11		965.22
		1947	13		1,704.00
		1951	15		1,978.00
		1938	24		2,030.56
		1921	26		13,482.51
		1952	27		2,061.42
		1948	28		1,578.99
		1952	29		1,801.17
		1948	30		1,099.22

EXHIBIT - D

COST/INCOME PER UNIT

COMPLEX NO.	COMPLEX NAME	YR CONST.	ASSET NO.	COST	INCOME
1207	HR Broughton Hospital (Continued)	1951	31		1,52
		1951	32		11
		1951	33		2,02
		1939	34		3,64
		1948	35	944.14	
		1952	36		1,31
		1952	37		1,62
		1951	38		1,97
		1951	39		2,11
		1951	40		2,07
		1950	60		1,06
		1950	61		1,11
		1950	62	136.83	
		1950	63		1,10
		1950	64		1,05
		1950	66	83.48	
		1950	67		99
		1948	68	762.41	
		1948	69		1,04
		1948	70		1,09
		1948	71		1,05
		1950	83	1,681.43	
		1950	85	2,560.17	
		1951	118	40.37	
		1951	119	82.86	
		1951	120	180.08	

D-4

EXHIBIT - D

COST/INCOME PER UNIT

LEX NO.	COMPLEX NAME	YR CONST.	ASSET NO.	COST	INCOME
209	WRC Table Rock Fish Hatchery	1948	6	438.01	
		1952	7		161.73
210	FR Forestry Center- Edwards Nursery	1957	12		443.14
211	South Mt. State Park	1945	1		358.10
215	AGRIC. Broughton Farm	1939	1	<u>VACANT</u>	
301	HR-YS Stonewall Jackson School	1953	4		1,144.20
		1953	5		1,600.80
		1959	6		1,144.20
005	Historic Reed Gold Mine	1976	2		506.44
006	UNC-CH Institute Marine Science	1932	3		761.76
007	Ft. Macon State Park	1955	1	129.78	
		1962	2	129.78	
		1936	3		260.22
		1956	5	346.02	
004	WRC Caswell Cameland	1961	1		152.96
002	FR Ranger Headquarters & Waccamaw Tower	1943	2	275.00	
007	AGRIC. Border Belt Tobacco Research	1957	1	136.00	
002	FR Wilmar Tower Site	1935	2	10.00	
006	WRC Fayetteville Fish Hatchery	1962	1		176.78
		1920	2		2.77
		1976	6		166.93
015	FSU Chancellors Residence	1973	1	20,952.00	
004	Historic Duke Homestead	1936	10		949.80
006	Historic Bennett Place	1965	2		820.80
009	N C Central University	1951	33	0	0
		1963	42	0	0

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EXHIBIT - D

COST/INCOME PER UNIT

COMPLEX NO.	COMPLEX NAME	YR CONST.	ASSET NO.	COST	INCOME
3209	N C Central University (Continued)	1960	44	0	0
3210	NCSU Hill Demonstration Forest	1978	10	0	0
		1965	14	0	0
		1976	28	0	0
		1976	32	0	0
3211	UNC-CH Quail Roost Conference Center		1	49,228.00	
3220	NOCU New Chancellors Residence	1974	1	29,404.93	
3226	AIM Math/Science Directors Home		1	629.46	
3301	CORR-YS Richard T. Fountain	1965	17	0	0
		1965	18	0	0
		1959	19	0	0
		1959	20	0	0
		1950	21	0	0
		1950	22	0	0
		1961	23	0	0
		1961	24	0	0
		1927	25	0	0
3303	FR Edgecome Tower Site	1959	4		270.0
3304	AGRIC. Upper Coastal Plain	1964	1	68.56	
		1928	21	0	0
		1969	23	100.56	
		1969	25	52.56	
		1902	26	0	0
		1950	29	84.56	
		1958	33	84.56	
3403	Winston-Salem State University	1924	18	8,613.60	

EXHIBIT - D

COST/INCOME PER UNIT

COMPLEX NO.	COMPLEX NAME	YR CONST.	ASSET NO.	COST	INCOME
3408	NC School of the Arts	1965	3	2,880.02	
		1965	4	1,764.52	
		1969	6	710.77	
		1969	7	710.77	
		1969	8	710.77	
		1969	9	710.77	
		1969	10	710.77	
		1969	11	710.77	
		1931	15	13,095.77	
3414	WSSU Chancellors Residence	1927	1	20,800.00	
3601	HR NC Orthopedic Hospital	1971	26	<u>NO INFORMATION PROVIDED</u>	
3605	Crowders Mountain State Park	1972	3		636.76
		1958	4		336.76
		1938	6	<u>VACANT</u>	
3705	Merchants Millpond State Park	1972	2	1,377.06	
3706	CORR Gates Prison Unit	1960	7	1,495.80	
3903	HR Rehabilitation Center for Blind	1955	2	374.59	
		1955	3	2,178.30	
		1954	5		1,585.10
		1970	8		2,433.30
3905	HR John Unstead Hospital	1958	19		920.00
		1968	59	0	0
		1949	107		3,090.00
907	AGRIC. Oxford Tobacco Research	1912	5	1,928.47	
		1915	8	2,766.03	
		1918	11		490.49

EXHIBIT - D

COST/INCOME PER UNIT

COMPLEX NO.	COMPLEX NAME	YR CONST.	ASSET NO.	COST	INCOME
3907	AGRIC Oxford Tobacco Research	1951	13		592.
		1925	29		600.
3915	AGRIC. Umstead Farm Unit	1948	43	<u>VACANT</u>	
		1948	44		435.
		1948	45		496.
		1958	46		542.
		1950	47		1,012.
		1875	48	<u>VACANT</u>	
4101	HR Central NC School for the Deaf	1975	3		1,224.0
		1975	5		1,632.0
4105	A & T State University	1969	21	898.00	
		1970	22	3,326.00	
		1956	23		122.0
		1955	26	2,968.00	
		1951	27	2,428.00	
		1960	31	2,338.00	
		1939	33	2,788.00	
		1924	34	2,698.00	
		1950	37	5,394.00	
		1967	39	1,528.00	
		1949	50	34,978.00	
4106	UNC-Greensboro	1967	16		1,395.0
		1922	44	4,200.00	
4117	UNC-G Piney Lake	1939	13	480.00	
		1929	15	1,740.00	

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EXHIBIT - D

COST/INCOME PER UNIT

COMPLEX NO.	COMPLEX NAME	YR CONST.	ASSET NO.	COST	INCOME
4118	A & T Farm - McConnel Road	1949	1	6,080.00	
		1949	2	5,824.00	
		1950	23	4,384.00	
			63		780.00
4204	Historic Halifax	1950	9		660.00
		1968	10	<u>VACANT</u>	
		1971	13	<u>VACANT</u>	
4206	WRC Weldon Fish Hatchery	1966	1	<u>VACANT</u>	
4207	Medoc Mountain State Park	1970	1	49.45	
4208	CORR Caledonia Correctional Institute	1960	65	NO RECORDS ON COST	1,398.60
		1960	66	" " " "	1,219.20
		1960	67	" " " "	982.80
		1960	68	" " " "	1,219.20
		1960	69	" " " "	1,219.20
		1960	70	" " " "	982.80
		1960	71	" " " "	1,219.20
4209	Halifax Correctional Institute	1950	12		379.20
4302	FR Cameron Lookout Tower	1953	4		288.00
4305	Raven Rock State Park	1970	2		291.60
4404	AGRIC Mountain Research Station	1948	1	<u>VACANT</u>	
		1950	2	<u>VACANT</u>	
		1950	3	592.00	
		1946	8	322.00	
			16	312.00	
		1945	21	272.00	

EXHIBIT - D

COST/INCOME PER UNIT

MPLEX NO.	COMPLEX NAME	YR CONST.	ASSET NO.	COST	INCOME
4404	AGRIC. Mountain Research Station	1935	30	140.00	
		1945	31	<u>VACANT</u>	
		1969	32	225.00	
4406	WRC Waynes Fish Hatchery	1970	1		464.95
4408	FR/UNC-GEN/OCPS Chambers Mountain	1969	3	1,025.00	
4501	FR Bearwallow Tower Site	1969	2	142.00	
4503	FR Holmes State Forest	1936	7	108.00	
4504	NCSU Mt. Horticulture Crop.	1920	11	300.55	
		1965	12	3,292.75	
4505	NCSU Kellogg 4-H Camp	1953	1		360.00
4701	CORR McCain Prison Medical Facility	1949	29	81.80	
4801	Historic Fort Dobbs	1976	2		540.00
4903	Duke Power State Park	1968	10		561.28
5001	FR Toxaway Tower Site	1942	2	1,030.00	
5005	Western Carolina University	1954	22	3,008.54	
		1951	34	354.17	
		1951	35		2,225.83
		1951	36	2,574.17	
		1974	48		25,445.83
		1928	60	5,814.17	
		1968	87		3,447.19
		1968	88		3,447.19
		1968	89		3,447.19
		1968	90		3,447.19
		1968	91		1,985.83
			92		2,580.00

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EXHIBIT - D

COST/INCOME PER UNIT

MPLEX NO.	COMPLEX NAME	YR CONST.	ASSET NO.	COST	INCOME
5106	NCSU Central Crops Research Station	1955	1	50.00	
		1955	3	50.00	
		1955	6		1,390.00
		1968	40	50.00	
5401	HR-YS Dobbs School for Girls	1964	9		534.20
		1948	24		904.20
		1964	26		584.20
5406	NCSU Lower Coastal Tobacco Research	1965	1	545.00	
5602	WCU Highlands Site	1958	3	1,020.50	
		1958	4	1,020.50	
		1941	6	1,020.50	
701	FR Big Knob Tower Site	1949	2	106.00	
5901	FR Huntsville Tower Site	1953	2	50.00	
5904	WRC Armstong Fish Hatchery	1957	5		1.62
		1957	6		134.63
		1963	7		141.61
5905	WRC Marion Fish Hatchery	1952	2		132.78
		1923	3		316.25
6001	CR Polk Memorial	1971	6		328.00
6005	UNC-Charlotte	1969	10	0	0
		1969	11	0	0
		1972	16	0	0
		1973	17	0	0
		1981	58	0	0
		1979	77	0	0
		—	79	0	0
		—	80	0	0

COST/INCOME, PER UNIT

COMPLEX NO.	COMPLEX NAME	YR CONST.	ASSET NO.	COST	INCOME
6023	UNC-Charlotte Chancellors Residence	—	1	15,167.00	
6101	FR/UNC-GEN Spruce Pine Tower	1959	2	50.00	
6202	NCSU Sandhills Research Station	1951	1	0	0
		1957	6	0	0
		1930	7	350.00	
		1974	11	95.00	
		1953	13	0	0
6208	CR Town Creek Indian Mound	1960	2		480.00
6301	HR-YS Samarkand Manor	1921	3		1,450.80
		1961	19		1,044.20
		1961	20		1,044.20
6302	FR County Headquarters and Tower	1960	1		210.00
		1951	6	190.00	
6303	FR Eagle Springs Tower	1949	2	190.00	
6305	CR House In The Horseshoe	1964	6		502.00
		1955	7		502.00
6506	UNC-Wilmington	1970	20	0	0
		1978	22	0	0
6510	NCSU Horticulture Crops Research	1961	8	100.00	
		—	15	50.00	
6514	Carolina Beach State Park	1973	7	201.99	
		1977	8		711.99
6526	NCSU Blueberry Research	1980	1	849.00	
29	UNC-W Chancellors Residence	1931	1	34,615.00	

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EXHIBIT - D

COST/INCOME PER UNIT

COMPLEX NO.	COMPLEX-NAME	YR CONST.	ASSET NO.	COST	INCOME
6603	CORR Odem Correctional Institute	1960	14		1,219.20
		1960	15		1,219.20
		1960	16		1,219.20
		1960	17		1,219.20
		1960	18		1,219.20
		1960	19		1,219.20
		1960	20		1,219.20
		1960	21		1,219.20
		1960	22		1,219.20
		1960	23		1,219.20
		1960	24		1,219.20
5701	FR Catherine Lake Tower-Headquart	1965	4		265.00
6702	FR Deppe Tower	1949	1		37.00
6807	UNC-Chapel Hill	1962	63	0	0
		1962	64	0	0
		1924	66	0	0
		1967	68	0	0
		1921	70	0	0
		1965	72	0	0
		1958	75	0	0
		1952	80	0	0
		1948	81	0	0
		1924	86	0	0
		1907	100	34,630.00	
		1930	138	3,100.00	
		1930	140		2,300.00

EXHIBIT - D

COST/INCOME PER UNIT

COMPLEX NO.	COMPLEX NAME	YR CONST.	ASSET NO.	COST	INCOME
6807	UNC-Chapel Hill (Continued)	1930	141		2,300.00
		1930	145	100.00	
		1930	146	3,100.00	
		1930	147		1,100.00
		1930	148		2,000.00
		1924	169	0	0
		1960	270	239.00	
		1960	271	239.00	
		1960	272	239.00	
		1960	273	239.00	
		1960	274	239.00	
		1960	275	239.00	
		1960	276	239.00	
		1960	277	239.00	
		1960	278	239.00	
		1960	279	239.00	
		1960	280	239.00	
		1960	281	239.00	
		1960	282	239.00	
		1960	283	239.00	
		1960	284	239.00	
		1960	285	239.00	
		1960	286	239.00	
		1960	287	239.00	
		1960	288	239.00	

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EXHIBIT - D

COST/INCOME PER UNIT

COMPLEX NO.	COMPLEX NAME	YR. CONST.	ASSET NO.	COST	INCOME
6807	UNC-Chapel Hill (Continued)	1960	314	239.00	
		1960	315	239.00	
		1960	316	239.00	
6819	UNC-CH Chancellors Residence	1957	1	26,164.74	
6821	UNC-CH Animal Care Facility	1969	3		180.00
7004	Elizabeth City State University	1922	21	0	0
		1961	22	0	0
		1961	23	0	0
		1961	24	0	0
		1961	25	0	0
		1961	26	0	0
		1922	27	0	0
		1950	28	0	0
		1930	29	0	0
		1922	31	0	0
		1981	55	20,973.84	
7102	FR Bannerman Tower	1963	2		421.25
7103	FR Wards Corner Tower	1937	3		281.25
7108	WRC Holly Shelter Gameland	1965	4		340.00
7405	East Carolina University	1948	68	3,897.34	
7501	FR/UNC-GEN Tryon Peak Tower	1951	2	50.00	
7701	CORR-YS Cameron Morrison	1968	1	1,131.12	
		1969	2	1,552.08	
		1963	3	932.28	
		1960	4	567.48	
		1953	6	818.04	
		1953	7	847.20	

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EXHIBIT - D

COST/INCOME PER UNIT

COMPLEX NO.	COMPLEX NAME	YR CONST.	ASSET NO.	COST	INCOME
7702	FR Ellerbe Tower	1940	5	284.00	
7704	FR Hamlet Tower and County Headquart	1940	1		240.00
7707	NCSU Millstone 4-H Camp	1970	4	0	0
7708	WRC Sandhills Gameland	1973	8	857.00	
7804	FR Pembroke Tower	1934	2		21.00
7807	Pembroke State University	1952	8	22,542.54	
		1965	9	760.84	
		1969	27	0	0
7902	NCSU Upper Piedmont Research	1930	7	24.00	
		1930	9	24.00	
7903	NCSU Betsy-Jeff Penn 4-H	1964	1	0	0
911	UNC-G Chinqua Penn	1928	2	0	0
		1922	10	0	0
		1922	11	0	0
8003	AGRIC. Piedmont Research Station	1955	5	55.67	
		1957	12	10.39	
		1955	14	0	0
		1965	16	0	0
		1957	19	0	0
		1968	30	0	0
		1968	52	0	0
8101	FR Biggerstaff Tower	1956	2	146.00	
8102	FR Pinnacle Tower	1954	2	50.00	
202	FR Newkirk Tower	1939	1	18.91	
8205	FR Clinton Tower	1938	5	467.00	

EXHIBIT - D

COST/INCOME PER UNIT

COMPLEX NO.	COMPLEX NAME	YR CONST.	ASSET NO.	COST	INCOME
8206	AGRIC. Horticultural Research Sta.	1971	11	169.27	
		1971	12	697.80	
		1971	13	146.22	
8406	Morrow Mt. State Park	1952	16	10.81	
		1965	40		154.19
		1965	41		364.19
8503	Hanging Rock State Park	1952	4	441.80	
		1952	5	231.80	
		1966	6	561.80	
		1952	9	231.80	
9607	Pilot Mt. State Park	1976	2		447.96
		1850	15	32.04	
		1900	22		117.96
8801	FR/UNC-GEN Rich Mt. Tower	1932	2	894.00	
9111	NRCD-PRKS Kerr Reservoir	1970	9		192.00
		1959	57		195.00
		1974	58		380.00
		1968	105	20.00	
		1981	112		510.00
		1981	119		492.00
		1981	121		592.00
		1981	122		390.00
		1981	123		372.00
202	AGRIC. N. C. State Fair	1951	16	NO RECORDS ON COST	1,008.00
		1945	53	NO RECORDS ON COST	1,008.00
9206	PRKS William B. Umstead-Crabtree	1939	2		109.91

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EXHIBIT - D

COST/INCOME PER UNIT

COMPLEX NO.	COMPLEX NAME	YR CONST.	ASSET NO.	COST	INCOME
9206	PRKS William B. Umstead - Crabtree	1939	3		259.91
		1958	18		439.91
9209	HR Governor Morehead School	1922	2	<u>VACANT</u>	
		1954	14	<u>VACANT</u>	
		1954	15		1,119.40
9218	N. C. State University	1940	2	0	0
		1932	3	0	0
		1932	4	0	0
		1932	5	0	0
		1932	6	0	0
		1926	7	0	0
			8	0	0
		1931	9	0	0
		1932	10	0	0
		1957	11	0	0
		1974	12	0	0
		1943	13	0	0
		1932	14	0	0
		1930	16	17,619.50	
		1959	94	0	0
		1974	97	0	0
		1940	200	0	0
		1940	201	0	0

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EXHIBIT - D

COST/INCOME PER UNIT

COMPLEX NO.	COMPLEX NAME	YR CONST.	ASSET NO.	COST	INCOME
9220	NCSU Research Unit 2 - Lake Wheeler	1940	2	244.00	
		1956	3	240.00	
		1965	4	495.00	
		1966	7	370.00	
9221	NCSU Research Unit 1 - Reedy Creek	1962	1	384.00	
		1938	2	649.00	
		1952	3	274.00	
		1952	4		1,271.00
9224	ADM State Government Center	1891	28	34,508.00	
			83	0	0
9226	HR Dorothea Dix Hospital	1922	117		1,539.83
		1950	118		614.58
		1950	119		702.12
		1950	120	589.30	
		1950	121		689.99
		1950	122		121.63
		1950	123	432.14	
		1950	124	220.58	
		1950	125		697.74
		1950	126		687.52
		1950	127	227.21	
		1950	128		716.20
		1950	129		623.24
		1950	130		716.77

EXHIBIT - D

COST/INCOME PER UNIT

COMPLEX NO.	COMPLEX NAME	YR CONST.	ASSET NO.	COST	INCOME
9226	HR Dorothea Dix Hospital (Continued)	1950	131	211.80	
		1950	132		692.65
		1950	133		697.61
		1950	134	124.87	
		1950	135		705.81
		1950	136		715.51
		1950	137		725.27
		1950	138	491.54	
		1950	139		717.32
		1950	140		513.14
		1955	141		462.04
		1955	142		1,081.17
		1955	143		1,099.63
		1955	144		1,059.15
		1955	145		1,065.70
		1955	146		1,091.13
		1955	147		1,033.36
		1955	148		669.07
		1955	149		221.66
		1955	150		960.87
		1955	151		503.32
		1955	153		343.34
		1955	154		1,083.25
		1955	155		347.19
		1955	157		564.66
		1955	158		595.98

EXHIBIT - D

COST/INCOME PER UNIT

COMPLEX NO.	COMPLEX NAME	YR CONST.	ASSET NO.	COST	INCOME
9220	NCSU Research Unit 2 - Lake Wheeler	1940	2	244.00	
		1956	3	240.00	
		1965	4	495.00	
		1966	7	370.00	
9221	NCSU Research Unit 1 - Reedy Creek	1962	1	384.00	
		1938	2	649.00	
		1952	3	274.00	
		1952	4		1,271.00
9224	ADM State Government Center	1891	28	34,508.00	
			83	0	0
9226	HR Dorothea Dix Hospital	1922	117		1,539.83
		1950	118		614.58
		1950	119		702.12
		1950	120	589.30	
		1950	121		689.99
		1950	122		121.63
		1950	123	432.14	
		1950	124	220.58	
		1950	125		697.74
		1950	126		687.52
		1950	127	227.21	
		1950	128		716.20
		1950	129		623.24
		1950	130		716.77

EXHIBIT - D

COST/INCOME PER UNIT

COMPLEX NO.	COMPLEX NAME	YR CONST.	ASSET NO.	COST	INCOME
9226	HR Dorothea Dix Hospital (Continued)	1950	131	211.80	
		1950	132		692.65
		1950	133		697.61
		1950	134	124.87	
		1950	135		705.81
		1950	136		715.51
		1950	137		725.27
		1950	138	491.54	
		1950	139		717.32
		1950	140		513.14
		1955	141		462.04
		1955	142		1,081.17
		1955	143		1,099.63
		1955	144		1,059.15
		1955	145		1,065.70
		1955	146		1,091.13
		1955	147		1,033.36
		1955	148		669.07
		1955	149		221.66
		1955	150		960.87
		1955	151		503.32
		1955	153		343.34
		1955	154		1,083.25
		1955	155		347.19
		1955	157		564.66
		1955	158		595.98

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EXHIBIT - D

COST/INCOME PER UNIT

COMPLEX NO.	COMPLEX NAME	YR CONST.	ASSET NO.	COST	INCOME
9226	HR Dorothea Dix Hospital (Continued)	1955	159	587.53	
		1955	160		1,025.43
		1955	161		456.35
		1955	162		442.44
		1955	163		1,070.53
		1955	164		487.38
		1955	165		542.10
		1946	166		865.92
		1946	167		908.34
		1946	168		916.27
		1946	169		753.45
		1946	170		909.48
		1946	171		726.97
		1946	172		917.41
		1946	173		854.43
		1946	174	337.15	
		1947	175		917.41
		1947	176		734.85
		1950	177		113.22
		1950	178		744.29
		1950	179		744.29
		1950	180		744.29
		1950	181		718.51
		1950	182		727.71
		1955	184		177.44

EXHIBIT - D

COST/INCOME PER UNIT

COMPLEX NO.	COMPLEX NAME	YR CONST.	ASSET NO.	COST	INCOME
9226	HR Dorothea Dix Hospital	1955	185		533.26
		1955	186		742.08
		1955	187		717.07
		1955	188		709.57
		1955	189		742.08
		1955	190		640.70
		1955	191		502.22
		1955	192		720.34
		1955	193		689.01
		1955	194		742.08
		1955	195		734.15
		1955	196		176.55
		1955	197		258.06
		1955	198		375.01
		1955	199		99.96
		1955	202		116.55
		1955	203		212.46
		1955	204		186.75
		1955	205		40.08
		1955	206		105.27
		1955	207		180.95
		1920	208		684.89
		1923	209		1,753.36
		1953	210		137.94
		1953	211		242.61
		1953	212		154.48

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EXHIBIT - D

COST/INCOME PER UNIT

COMPLEX NO.	COMPLEX NAME	YR CONST.	ASSET NO.	COST	INCOME
9226	HR Dorothea Dix Hospital (Continued)	1953	213		220.73
		1953	214		220.73
		1910	215	1,195.48	
		1920	216		711.99
		1946	217		1,846.66
		1945	218		432.89
		1937	219		1,611.62
		1937	220		1,624.38
		1924	221		941.28
		1923	222		1,305.57
		1946	223		1,309.53
		1921	224		1,694.21
		1924	225		95.95
		1924	227	376.40	
		1955	228		1,227.04
		1952	230		479.26
		1952	231		1,839.31
		1952	232		1,796.68
		1952	233		1,818.79
		1952	234		291.61
		1947	235		735.86
		1949	236		1,789.43
		1949	237		1,837.44
		1947	238		1,838.58
		1910	240		943.84
		1930	241	118.62	
		1930	242		770.47

EXHIBIT - D

COST/INCOME PFR UNIT

COMPLEX NO.	COMPLEX NAME	YR CONST.	ASSET NO.	COST	INCOME
9226	HR Dorothea Dix Hospital	1930	243		798.25
		1930	244		790.20
9227	William Unstead State Park - Reedy Creek	1962	5		398.30
		1952	6		158.30
9231	FR Bayleaf Tower Site	1968	1		208.00
9242	AGRIC. Dix Farm Unit	1922	37		840.00
		1950	38	60.43	
		1950	39	118.57	
		1920	40		474.00
		1920	41		228.00
		1920	42		474.00
9245	NCSU Research Unit 5 - Western Boulevard	1953	1		1,241.00
		1952	3		1,256.00
9246	NCSU Research Unit 6 - Varsity	1952	1	174.00	
9247	NCSU Research Unit 7 - Randleigh	1969	4	424.00	
		1969	5	384.00	
9403	AGRIC. Tidewater Research Station	1952	1		<u>VACANT</u>
		1954	2		<u>VACANT</u>
		1944	3	290.00	
		1945	4		<u>VACANT</u>
		1951	5	370.00	
		1945	6	120.00	
		1945	7	581.00	
406	Pettigrew State Park	1955	1		18.19
9504	Appalachian State University	1965	4	1,906.30	
		1957	43	7,510.54	

EXHIBIT - D

COST/INCOME PER UNIT

COMPLEX NO.	COMPLEX NAME	YR CONST.	ASSET NO.	COST	INCOME
9504	Appalachian State University	1953	57	0	0
		1940	58	3,532.90	
		1940	59	0	0
		1940	60	0	0
		1940	61	0	0
		1940	62	0	0
		1940	63	0	0
		1940	64	0	0
		1940	65	0	0
		1940	66	0	0
		1940	67	0	0
		1940	68	0	0
		1940	69	0	0
		1940	70	0	0
		1970	72	0	0
		1973	74	0	0
		1973	75	0	0
		1973	76	0	0
		1973	77	0	0
		1973	78	0	0
		1973	79	0	0
		1973	80	0	0
		1973	81	0	0
		1966	86	0	0
		1940	97	0	0
		1980	110	0	0
		1980	111	0	0

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EXHIBIT - D

COST/INCOME PER UNIT

COMPLEX NO.	COMPLEX NAME	YR CONST.	ASSET NO.	COST	INCOME
9602	FR Dudley Tower	1932	1		210.00
9604	HR Cherry Hospital	1954	12	15,124.00	
		—	20	282.60	
		1947	21		395.28
		1947	22		395.28
		1947	23		395.28
		—	24		60.00
		1953	27		452.28
		1939	28		676.20
		1947	29		395.28
		1953	30		452.28
		1953	31		452.28
		1953	32		452.28
		1953	33		452.28
		1953	34		452.28
		1953	35		452.28
		1953	36		452.28
		1953	37		452.28
		1953	38		452.28
		1950	39		142.20
		1950	40		131.46
		1950	41		142.20
		1950	43		131.46
		1945	47		1,618.86
		1945	57	88.74	
		1945	58		1,753.26
		1945	59		1,753.29

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EXHIBIT - D

COST/INCOME PFR UNIT

COMPLEX NO.	COMPLEX NAME	YR CONST.	ASSET NO.	COST	INCOME
9604	HR Cherry Hospital (Continued)	1945	60		1,753.29
		1945	68		1,018.86
		1954	69		1,018.86
		1954	71		1,753.26
		1954	72		1,018.86
		1953	76		435.12
		1947	77		435.12
		1952	78		435.12
		1947	79		378.12
		1952	80		377.04
		1947	81		435.12
		1952	82		435.12
		1947	83		499.92
		1947	85		378.12
		1947	86		378.12
		1947	87		378.12
		1947	90		378.12
		1939	95	796.50	<u>VACANT</u>
		1939	96	796.50	<u>VACANT</u>
		1936	97		535.56
		1932	98		719.76
		1939	99		535.56
		1939	100		903.96
		1946	101	941.04	
		1946	102		903.96
		1946	103		719.76

EXHIBIT - D

COST/INCOME PER UNIT

COMPLEX NO.	COMPLEX NAME	YR CONST.	ASSET NO.	COST	INCOME
9604	HR Cherry Hospital (Continued)	1939	104		903.96
		1936	105		753.42
		1939	106		753.42
9607	Goldsboro Forestry Center-Claridge	1954	1		424.33
		1954	4		469.82
9608	Cliffs of the Neuse State Park	1959	1		434.69
		1952	2		254.69
		1965	6		104.69
9708	FR/DOT/CCPS Pores Knob Tower	1950	1	211.67	
9904	Pilot Mt. State Park		1		117.96

COST OR INCOME PER COMPLEX

COMPLEX NO.	COMPLEX NAME	COST	INCOME
0003	Mt. Mitchell State Park	91.45	
0304	Stone Mt. State Park		792.15
0404	Wadesboro Prison Unit		
0501	FR Mt. Jefferson Tower Site	746.00	
0502	AGRIC. Upper Mt. Research Station		1,440.37
0604	FR Gill St. Forest Nursery	12,720.00	
0702	FR Reddit Tower Site		172.40
0703	Historic Bath		882.00
0706	Goose Creek State Park		285.19
0802	AGRIC. Peanut Belt Research Station	242.50	
0902	FR Jones Lake Tower Site		317.50
0904	FR Bladen Lakes State Forest		1,201.54
0905	Jones Lake State Park	90.35	
0915	Singletary Lake Park		373.15
1002	FR Bolivia Tower Site	60.50	
1003	FR Shallotte Tower Site	152.25	
1005	FR Riegal Tower Site		214.25
1014	FR Bear Pen Air Strip		1,473.30
1101	Western Governor's Residence	14,787.00	
1103	HR-YS Juvenile Evaluation Center	683.00	
1104	FR High Windy Tower Site	50.00	
1105	FR Spivey Mt. Tower Site	50.00	
1114	UNC-Asheville	8,384.00	
115	NCSU Swannanoa 4-H Camp	0	0
1201	HR NC School for the Deaf	11,192.04	
1204	FR Benns Knob Tower Site	152.00	

COST OR INCOME PER COMPLEX

COMPLEX NO.	COMPLEX NAME	COST	INCOME
1207	HR Broughton Hospital		54,180.52
1209	WRC Table Rock Fish Hatchery	276.20	
1210	FR Forestry Center - Edwards Nursery		443.14
1211	South Mountain State Park		358.10
1215	AGRIC. Broughton Farm		
1301	HR-YS Stonewall Jackson School		3,889.20
1305	Historic Reed Gold Mine		506.44
1606	UNC-CH Institute Marine Science		761.76
1607	Ft. Macon State Park	345.36	
1704	WRC Caswell Cameland		
2402	FR Ranger Headquarters & Waccamaw Tower	275.00	
2407	AGRIC. Border Belt Tobacco Research	136.00	
2502	FR Wilmar Tower Site	10.00	
2606	WRC Fayetteville Fish Hatchery		346.48
2615	FSU Chancellors Residence	20,952.00	
3204	Historic Duke Homestead		949.80
3206	Historic Bennett Place		820.80
3209	NC Central University	0	0
3210	NCSU Hill Demonstration Forest	0	0
3211	UNC-CH Quail Roost Conference Center	49,228.00	
3220	NCCU New Chancellors Residence	29,404.93	
3226	ADM Math/Science Directors Home	629.46	
3301	CORR-YS Richard T. Fountain	0	0
3303	FR Edgecombe Tower Site		270.00
3304	AGRIC. Upper Coastal Plain		390.80
3403	Winston Salem State University	8,613.00	

COST OR INCOME PER COMPLEX

COMPLEX NO.	COMPLEX NAME	COST	INCOME
4118	A & T Farm - McConnel Road	15,508.00	
4204	Historic Halifax		660.00
4206	WRC Weldon Fish Hatchery	VACANT	
4207	Medoc Mountain State Park	49.45	
4208	CORR Caledonia Correctional Institute	NO RECORDS ON COST	8,240.20
4209	Halifax Correctional Institute		379.20
4302	FR Cameron Lookout Tower		288.00
4305	Raven Rock State Park		291.60
4404	AGRIC. Mountain Research Station	1,498.00	

COST OR INCOME PER COMPLEX

COMPLEX NO.	COMPLEX NAME	COST	INCOME
3408	NC School of the Arts	22,004.93	
3414	WSSU Chancellors Residence	20,800.00	
3601	HR NC Orthopedic Hospital	NO INFORMATION PROVIDED	
3605	Crowders Mountain State Park		973.52
3705	Merchants Millpond State Park	1,377.06	
3706	CORR Gates Prison Unit	1,495.80	
3903	HR Rehabilitation Center for Blind		1,465.51
3905	HR John Umstead Hospital		4,010.00
3907	AGRIC. Oxford Tobacco Research	3,011.05	
3915	AGRIC. Umstead Farm Unit		2,487.10
4101	HR Central NC School for the Deaf		2,856.00
4105	A & T State University	24,244.00	
4106	UNC-Greensboro	2,805.00	
4117	UNC-G Piney Lake	2,220.00	
4118	A & T Farm - McConnel Road	15,508.00	
4204	Historic Halifax		660.00
4206	WRC Weldon Fish Hatchery		
4207	Medoc Mountain State Park	49.45	
4208	CORR Caledonia Correctional Institute	NO RECORDS ON COST	9,192.80

COST OR INCOME PER COMPLEX

COMPLEX NO.	COMPLEX NAME	COST	INCOME
4404	AGRIC. Mountain Research Station (Continued)	365.00	
4406	WRC Waynes Fish Hatchery		464.95
4408	FR/UNC-GEN/CCPS Chambers Mountain	1,025.00	
4501	FR Bearwallow Tower Site	142.00	
4503	FR Holmes State Forest	108.00	
4504	NCSU Mt. Horticulture Crop.	3,593.30	
4505	NCSU Kellogg 4-H.Camp		360.00
4701	CORR McCain Prison Medical Facility	81.80	
4901	Historic Fort Dobbs		540.00
4903	Duke Power State Park		561.28
5001	FR Toxaway Tower Site	1,030.00	
5005	Western Carolina University		34,275.20

COST OR INCOME PER COMPLEX

COMPLEX NO.	COMPLEX NAME	COST	INCOME
5106	NCSU Central Crops Research Station		1,240.00
5401	HR-YS Dobbs School for Girls		2,022.60
5406	NCSU Lower Coastal Tobacco Research	545.00	
5602	WCU Highlands Site	3,061.00	
5701	FR Big Knob Tower Site	106.00	
5901	FR Huntsville Tower Site	50.00	
5904	WRC Armstrong Fish Hatchery		277.86
905	WRC Marion Fish Hatchery		449.03
6001	CR Polk Memorial		328.00
6005	UNC-Charlotte	0	0

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COST OR INCOME PER COMPLEX

IMPLEX NO.	COMPLEX NAME	COST	INCOME
6023	UNC-Charlotte Chancellors Residence	15,167.00	
6101	FR/UNC-GEN Spruce Pine Tower	50.00	
6202	NCSU Sandhills Research Station	445.00	
6208	CR Town Creek Indian Mound		480.00
6301	HR-YS Samarkand Manor		3,539.20
6302	FR County Headquarters and Tower Site.		20.00
6303	FR Eagle Springs Tower	190.00	
6305	CR House in the Horseshoe		1,004.00
506	UNC-Wilmington	0	0
6510	NCSU Horticulture Crops Research	150.00	
6514	Carolina Beach State Park		510.00
6526	NCSU Blueberry Research	849.00	
6529	UNC-W Chancellors Residence	34,615.00	

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COST OR INCOME PER COMPLEX

MPLEX NO.	COMPLEX NAME	COST	INCOME
6603	CORR Odem Correctional Institute		13,411.20
6701	FR Catherine Lake Tower-Headquarters		265.00
6702	FR Deppe Tower		37.00
6807	UNC-Chapel Hill	44,463.00	

COST OR INCOME PER COMPLEX

COMPLEX NO.	COMPLEX NAME	COST	INCOME
6819	UNC-CH Chancellors Residence	26,164.74	
6821	UNC-CH Animal Care Facility		180.00
7004	Elizabeth City State University	20,973.84	
7102	FR Bannerman Tower		421.25
7103	FR Wards Corner Tower		281.25
7108	WRC Holly Shelter Gameland		340.00
7405	East Carolina University	3,897.34	
7501	FR/UNC-GEN Tryon Peak Tower	50.00	
7701	CORR-YS Cameron Morrison	5,848.20	
7702	FR Ellerbe Tower	284.00	
7704	FR Hamlet Tower and County Headquarters		240.00
7707	NCSU Millstone 4-H Camp	0	0
7708	WRC Sandhills Gameland	857.00	
7804	FR Pembroke Tower		21.00
7807	Pembroke State University	23,303.38	
7902	NCSU Upper Piedmont Research	48.00	
7903	NCSU Betsy-Jeff Perm 4-H	0	0
7911	UNC-G Chinqua Perm	0	0
8003	AGRIC. Piedmont Research Station	66.00	
8101	FR Biggerstaff Tower	146.00	
8102	FR Pinnacle Tower	50.00	
8202	FR Newkirk Tower	18.91	
8205	FR Clinton Tower	467.00	

COST OR INCOME PER COMPLEX

MPLEX NO.	COMPLEX NAME	COST	INCOME
8206	AGRIC. Horticultural Research Station	1,013.29	
8406	Morrow Mt. State Park		507.57
8503	Hanging Rock State Park	1,467.20	
8607	Pilot Mt. State Park		533.88
8801	FR/UNC-GEN Rich Mt. Tower	894.00	
9111	NRCD-PRKS Kerr Reservoir		3,103.00
9202	AGRIC. N.C. State Fair	NO RECORDS ON COST	2,016.00
206	PRKS William B. Umstead-Crabtree		309.73
9209	HR Governor Morehead School		VACANT 1,119.40
9218	N.C. State University	17,619.50	

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COST OR INCOME PER COMPLEX

MPLEX NO.	COMPLEX NAME	COST	INCOME
9220	NCSU Research Unit 2- Lake Wheeler	1,349.00	
9221	NCSU Research Unit 1 - Reedy Creek	36.00	
9224	ADM State Government Center	34,508.00	
9226	HR Dorothea Dix Hospital		76,814.12
9227	William Umstead State Park - Reedy Creek		556.60
9231	FR Bayleaf Tower Site		208.00
9242	AGRIC. Dix Farm Unit		1,837.00
9245	NCSU Research Unit 5 - Western Boulevard		2,497.00
9246	NCSU Research Unit 6 - Varsity	174.00	
9247	NCSU Research Unit 7 - Randleigh	808.00	
9403	AGRIC. Tidewater Research Station	1,361.00	
9406	Pettigrew State Park		18.19
9504	Appalachian State University	12,949.74	

COST OR INCOME PER COMPLEX

COMPLEX NO.	COMPLEX NAME	COST	INCOME
9602	FR Dudley Tower	210.00	
9604	HR Cherry Hospital		12,507.42
9607	Goldsboro Forestry Center-Claridge		894.05
9608	Cliffs of the Neuse State Park		794.07
9708	FR/DOI/CCPS Pores Knob Tower	211.67	
9904	Pilot Mt. State Park		117.96
	TOTAL	515,145.69	267,175.63

Friday
September 23, 1983

Part V

Department of
Housing and Urban
Development

Office of Assistant Secretary for
Housing—Federal Housing Commissioner

Section 8 Housing Assistance Payments
Program Fair Market Rent Schedules—
Existing Housing and Moderate
Rehabilitation

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Office of Assistant Secretary for Housing—Federal Housing Commissioner

24 CFR Parts 882 and 888

[Docket No. R-83-1029]

Section 8 Housing Assistance Payments Program Fair Market Rent Schedules—Existing Housing and Moderate Rehabilitation

AGENCY: Office of the Assistant Secretary for Housing—Federal Housing Commissioner, HUD.

ACTION: Final rule.

SUMMARY: The United States Housing Act of 1937 requires the Department to publish at least annually Fair Market Rents (FMRs) for its Section 8 housing assistance program. This rule establishes revised FMRs for the Section 8 Existing Housing and Moderate Rehabilitation Programs, including space rentals by owners of manufactured homes. The revised FMR schedules reflect estimated rent levels as of April 1, 1984. These revised rents should ensure that Section 8 participants will continue to have access to an adequate supply of decent, safe, and sanitary housing in all market areas.

EFFECTIVE DATE: October 28, 1983. Retroactive to March 29, 1983 for purposes of calculating the Public Housing Agency earned administrative fee.

FOR FURTHER INFORMATION CONTACT: Gerald J. Benoit, Existing Housing Division, Office of Existing Housing and Moderate Rehabilitation, Department of Housing and Urban Development, 451 7th Street, SW., Washington, D.C. 20410. (202) 755-5353. This is not a toll-free number.

SUPPLEMENTARY INFORMATION:

Background

Section 8 of the United States Housing Act of 1937 (the Act) (42 U.S.C. 1437(f)) authorizes a housing assistance program to aid lower income families in renting decent, safe, and sanitary housing. This program, which includes housing assistance payments for moderate rehabilitation and existing housing, is administered by PHAs consistent with regulations found in 24 CFR Part 882. Section 8(c)(1) of the Act requires HUD to publish the Fair Market Rents (FMRs) for these programs at least annually in the Federal Register.

The Proposed Rule

On December 13, 1982 (see 47 FR 65784), HUD proposed to change the criteria and procedures for establishing FMRs for the Section 8 Existing Housing and Moderate Rehabilitation Programs (Schedule B) and for manufactured home spaces in the Section 8 Existing Housing Program (Schedule D).

As proposed, the criteria used to determine the appropriate FMRs would have been revised: (1) To reflect 40th percentile rents (i.e., the rent below which 40 percent of the standard quality units are distributed), rather than 50th percentile rents; (2) to exclude new units (units completed in the two years prior to the data survey dates) from the inventory of standard quality units; and (3) to include all rental units rather than only those units rented by recent movers. The Department proposed to continue to use the most recent Annual Housing Survey (AHS) data pertaining to units meeting Section 8 Existing Housing Program standards and to update previously established FMRs by using the Annual Adjustment Factors (AAFs) developed from the residential rent and the fuel and utility components of the Consumer Price Index (CPI).

The Department sought comment on the proposal. We specifically encouraged comments on: (1) The proposed changes in the criteria for establishing the FMR levels and (2) the calculation of the proposed 1983 FMR levels.

In addition to the December 13, 1982, proposed rule, the Department requested comment on an interim rule published on December 15, 1982 (see 47 FR 56133), which continued the FMRs at the 1981 rent levels. The proposed and interim rules both deal with the Fair Market Rent Schedules for the Section 8 Existing Housing and Moderate Rehabilitation programs and space rentals by owners of manufactured homes. Because the comments submitted on the interim rule raised identical issues to those submitted on the proposed rule and because the interim rule will be superseded by this final rule, all comments submitted will be treated together.

A summary of the comments received and the Department's response follows.

Public Comments

The proposed rule requested comments on the proposed criteria for determining FMRs and on the calculation of the rents for particular jurisdictions. In response, HUD received 407 comments from public housing agencies, State and local governments, Members of Congress, Section 8

program administrators, apartment owners and managers, individuals, and organizations of housing officials. Many commenters referred only to the new criteria or the rent calculation, but some covered both the criteria and accuracy of the 40th percentile rent calculations. There were 222 comments on the proposed changes in the FMR criteria; one-third of these included supporting data or narrative discussion. The comments on the accuracy of the rent calculations covered 358 of the 2,774 FMR areas. HUD field offices provided local rental market data and recommended revised rents for an additional 61 FMR areas. Nine comments related to the proposed rents for manufactured home spaces. HUD received fifteen comments on its December 15, 1982, interim rule.

All public comments were reviewed initially by HUD Field Office staff who are familiar with current housing market conditions and trends in the localities within their jurisdictions. Field Office evaluations and recommendations were reviewed by Regional and Headquarters Economic and Market Analysis staff to ensure that all available market data and program guidelines were adequately considered.

To discuss the comments, we have separated them into three categories: A. HUD's proposed new criteria for determining FMRs; B. The calculation of the proposed 1983 FMRs; and C. Miscellaneous comments.

A. HUD's Proposed New Criteria for Determining FMRs

1. Comments received on proposed FMR criteria. As discussed earlier, HUD proposed changing three FMR criteria: all three criteria drew criticism and are discussed below.

Setting FMRs at 40th percentile of standard units. Two hundred twenty-two comments, almost 55 percent of the comments received, opposed the 40th percentile rent standard. Many commenters stated that there are not sufficient units under the 40th percentile rent to run a Section 8 Existing Housing Program.

A frequent comment concerned the effect of tight markets on program operations as the result of the reduced rent standard. Many commenters indicated that the lower standard would not provide enough units to run the program, because units below the 40th percentile rent are the most competitive and have the lowest vacancy rates. The commenters expressed concern that this competition would take away any motivation for the landlord to participate in the program.

About 100 commenters submitted information showing the declining success rate under the current system indicated by Section 8 certificates issued versus units leased. Many commenters stated that they expect this problem to continue.

Another objection to the 40th percentile level was the lack of units meeting HUD's housing quality standards (HQS). Commenters stated that the number of units available is reduced, because the units do not meet housing quality standards, or the units are marginal and the landlord does not have the incentive or the financial ability to improve the property.

Some commenters felt there was an adequate number of units, but the units were concentrated in traditional areas of low-income housing. These commenters asserted that limiting Section 8 households to such areas or neighborhoods is contrary to one of the major goals of the Section 8 program—to make available to low-income households a broad range of housing opportunities.

Finally, many commenters indicated that the rents at the 40th percentile do not provide an adequate supply of units for larger families. Many stated that the large family units (i.e., three or more bedrooms) are usually detached or semi-detached homes, typically having higher rents.

Including all rental units in the base. HUD's proposal to include in the base all standard rental units, rather than only those rented by recent movers, also drew criticism. Comments uniformly stated that including all units serves to lower rents but does not reflect the actual rents encountered by a tenant seeking to lease an available unit on the market. The rents charged by owners for long-term tenants are lower than rents charged for comparable units rented by new tenants. The commenters argued that a tenant can only lease available units and it is unreasonable to include in the FMR calculation those units occupied by long-term tenants at lower rents.

A related series of comments objected to including public housing in calculating the FMRs. The commenters reasoned that since public housing units are not a source of housing for Section 8 program participants, it is inappropriate to include those units in the base.

Excluding new units. This proposed change drew less criticism than the other two proposed changes to the FMR criteria. Those who did comment felt that excluding from the survey units built within the last two years would skew the rents downward. Removing new units, observed the commenters,

eliminates from the survey those units affected by inflation in the construction industry. On the other hand, a few commenters noted that there had been little new construction within the last two years, so as a practical matter this change in the method of calculating the FMRs would not affect rents.

2. HUD's response to public comment on proposed FMR criteria. The Department has considered carefully all comments and data submitted concerning the proposed criteria. In response, the Department is making the following changes which, taken together, should ensure that sufficient units are available to Section 8 participants.

The Department will set the FMRs at the 45th percentile rent level of standard quality units occupied by recent movers, rather than the 40th percentile of all standard quality units. Additional increases have been provided for the larger (three-bedrooms and larger) bedroom units. Public housing units and units built two years before the survey date will be excluded from the data base.

Increasing the FMRs to the 45th percentile of recent movers increases the choice of units available and relieves competition among certificate holders. Rent levels set at the 45th percentile of recent movers should address the additional concern expressed in the comments that landlords have little or no motivation to continue in the program. It also should relieve the concern expressed in the comments about a lack of mobility of the Section 8 certificate holder by increasing housing opportunities and by permitting greater choice of housing within individual market areas.

The Department agrees that long-term tenancy results in rents that are lower than the rents of comparable units with high turnover rates. For this reason, the Department will continue to base FMRs only on rents for units rented by recent movers. However, fifty percent of the families who receive Section 8 assistance remain in their pre-program unit. Because rents charged by owners for long-term tenants typically are lower than those for new tenants, the previous rent paid by Section 8 participants who lease their pre-program unit (i.e., lease in-place) is a major factor in determining the reasonableness of the rent under the Section 8 Existing Housing Program regulations. In determining rent reasonableness for a family that leases in-place, we anticipate that the PHAs will use, consistent with outstanding requirements, the previous rent paid by the family, plus a modest adjustment—with the resultant contract rents for tenants renting in-place generally being

lower than the rent established for a tenant that moves to a different unit.

The Department will exclude from the rental base all public housing units. HUD makes this change because it agrees with the comments that these units are not a source of housing for Section 8 program participants and also because public housing rents controlled by a statutory rental limitation reflect subsidized rents rather than market rents.

The Department also shares the concern expressed in comments about low rent levels for large units (three or more bedrooms). Data submitted indicates that large families are much less successful in locating units than other program participants. The Department, therefore, is making additional adjustments to the FMRs based on bedroom size for larger units. The FMRs for larger units will be computed as follows: A three-bedroom rent will be 25 percent more than the two-bedroom rent for the jurisdiction, rather than the previous 15 percent, and a four-bedroom unit will be 40 percent more than the two-bedroom base, rather than the previous 30 percent. The FMR for units having more than four bedrooms is calculated by adding 15 percentage points for each additional bedroom. For example, the FMR for a five-bedroom unit is 115 percent of the FMR for a four-bedroom unit.

Finally, the Department will continue to exclude newly constructed units completed in the two years prior to the date survey dates. The Department considered the comments on this point, but has determined that new units generally exceed the non-luxury, modest housing standard of the Section 8 program, and should not be included.

B. The Calculation of the Proposed 1983 Fair Market Rents

1. Comments received on FMR calculations. Many commenters criticized the methodology used by HUD to establish the 40th percentile rents. Specific comments were submitted for 358 market areas, stating that the FMRs for these areas did not reflect the actual 40th percentile rent level.

Commenters stated that HUD has not considered adequately the effect that the annual utility allowance increases have had in effectively reducing the amount available for shelter rent. (Commenters cited actual utility increases as high as 83% in SMSA areas and 53% in non-SMSA areas since 1981.) A corollary suggestion was that HUD determine FMRs to reflect rent, excluding the cost of utilities.

Commenters also criticized reliance on the Annual Housing Survey (AHS) and the Annual Adjustment Factor (AAF) to establish the 1983 rents. Many commenters felt that using data for an entire Census Region to make projections for a particular SMSA fails to take into account important local factors, and results in FMRs that do not represent the actual rental market in the SMSA. Similar comments stated that the projections used by HUD do not provide for local discrepancies such as increases in property taxes, utilities (mentioned above), or water and sewer services rates.

HUD recognizes that local variations are important, and for this reason sought actual market data from commenters. This request drew criticism in several cases. Commenters objected to the request that the data be SMSA-wide. Others objected to the requirement at all, stating that small PHAs simply did not have the resources to collect the type of data required in the time allowed.

2. *HUD's response to public comment on FMR calculations.* The Department uses all available data to calculate the FMRs, including U.S. Census and Annual Housing Survey data. We have concluded that, in general, they are within an acceptable range of accuracy. The best estimates are those developed for the 50 Annual Housing Survey areas. Data limitations and the rapid changes in smaller market areas can result in less accurate FMRs for some areas. This is why the Department encouraged commenters to submit data showing the correct calculation of FMRs for local rental markets, particularly for those FMR areas not covered by the Annual Housing Survey or Consumer Price Index data.

In response to the comments that submitting local survey data is overly burdensome, the Department considers the local rental surveys to be essential to the FMR process and does not view the collection of such data to be an excessive burden on PHAs. Small sample surveys, representative of the range of rental housing types and locations, are accepted as a basis for modifying the FMRs. Where a number of PHAs operate the program within a single FMR area, the Department encourages the PHAs to coordinate their data collection to produce a sample survey that will be representative of the overall market area. In some situations, the rent structure for a PHA jurisdiction may be higher than for the FMR area (SMSA or county) as a whole. The program regulations permit exception rents for localities in a FMR area with

higher rents than the area average. A PHA that believes exception rents are justified for its area should contact the appropriate HUD field office. In this final rule the Department adjusted the proposed rents for the 290 FMR areas where commenters submitted adequate local rental market data to support a change in the FMRs.

The Department also recognizes variations in utility cost increases among Census regions. It is for this reason that the Department specifically requested comments of increasing utility costs and utility allowances in particular jurisdictions. There are no national data available on rents excluding utilities and it is therefore administratively infeasible for the Department to establish separate Fair Market Rents excluding utility costs as suggested by some commenters. In market areas for which data were submitted to demonstrate utility cost increases beyond the level reflected in the CPI data, HUD has increased the FMRs accordingly.

C. Miscellaneous Comments

1. *Proposed FMRs' effect on the PHA administrative fee calculation.* PHA administrative fees are tied to the two-bedroom FMR. Many PHAs commented that the cost of administering the program (e.g., office rent, utilities, salaries, tenant briefing, income verification, apartment search assistance, unit inspections) continues to increase, while the fees remain constant. Many cited the decrease in the success rate of certificate holders leasing units as contributing to increasing the cost of administering the program. Commenters suggested that the cap on administrative fees will result in poor administration, or in some cases, the decision by some PHAs that they cannot continue to operate the program.

The Department believes that the revised FMR schedules published with this rule will provide adequate administrative fees for the PHAs, and will continue to calculate the fees based on the published two-bedroom FMR. In addition, however, the Department currently is evaluating other methods of determining administrative fees that would provide more equitable compensation to the PHAs, based on specific circumstances applicable to individual PHAs.

2. *Proposed FMRs' effect on HUD's Rental Rehabilitation Demonstration Program.* Several commenters raised concerns about the impact of FMRs on the Rental Rehabilitation Demonstration Program administered by HUD. Under the program, participants are expected to deliver at least 80 percent of the

rehabilitated units at rents below the FMRs after rehabilitation. Thus, families who are eligible for Section 8 Existing Housing assistance and who were living in the units selected under the Demonstration may occupy these units. Local officials administering this program are responsible for selecting appropriate buildings and neighborhoods and for developing methods to finance the rehabilitation that ensure that the 80 percent goal is achieved.

The commenters stated that the program, intended to provide impetus to landlords to make repairs to their properties, would not work because the rents to be charged after rehabilitation is completed would exceed the FMRs. The modifications to the criteria for establishing the FMRs included in this final rule should reduce the scope of this problem, to the extent that it exists.

3. *Proposed FMRs create an inequity in rent levels for comparable units within one jurisdiction.* Other commenters raised as a problem the inequity inherent in the Section 8 Program operating with some rents based on the 50th percentile and some rents based on the 45th percentile. A PHA making this comment states that a 1983 certificate holder would be prevented from leasing a unit comparable to units already housing other Section 8 participants.

The Department recognizes that, in reducing the rent standard, some units will no longer be available for the program. Lowering the rent standard effectively reduces a certificate holder's access to units leased at the previous ceiling. This problem is alleviated significantly by the Department adopting in this rule rents determined at the 45th percentile of standard units occupied by recent movers, rather than the proposed 40th percentile. The combination of changes described earlier in the Preamble that the Department has made in response to the comments increases the number of units that will be available to Section 8 Program participants and further ensures the future successful operation of the Section 8 program.

4. *Comment period of sixty days was too short.* A few commenters objected to the "short" 60-day comment period. The Department did not believe that it could allow more time without further delaying the publication of the new FMRs in 1983.

5. *HUD should prepare a regulatory impact analysis and a regulatory flexibility analysis.* One commenter raised the issue of the rulemaking being a "major rule" as defined in the

President's Executive Order on Regulations, E.O. 12291. This same commenter argued that many small proprietorships and other small entities would be affected by the rule, and thus HUD should undertake a regulatory flexibility analysis pursuant to 5 U.S.C. 605(b) of the Regulatory Flexibility Act.

As we concluded in the discussion of these issues later in this Preamble the Department does not believe that either contention is accurate.

The Final Rule

Final Revision of FMR Criteria and FMR Calculations for 1983

Based on an analysis of the public comments and local rental market data provided by commenters and HUD field offices, the Department has made changes to the proposed criteria for establishing the FMRs and is now issuing FMRs for all jurisdictions. The FMRs for the Section 8 Existing Housing and Moderate Rehabilitation Programs (Schedule B) and for manufactured home spaces under the Section 8 existing housing program (Schedule D) are contained in Tables at the end of this document.

The criteria used to calculate these FMRs are based on: (1) 45th percentile rents (i.e., the rent below which 45 percent of the standard units are distributed); and (2) rents based on units rented by recent movers. Public housing units and new units completed during the two years preceding the data survey dates have been excluded from the data base.

The revised 45th percentile FMR schedules for the Section 8 Existing Housing Program (and the base for determining Moderate Rehabilitation FMRs) were developed as follows: (1) The proposed 40th percentile FMR calculations originally published were revised for 290 specific market areas based on local rental market data obtained from public comments; (2) the 45th percentile FMR schedules were calculated for each market area by using the ratio of the 45th percentile rent standard to the 40th percentile rent standard reflected in the most recent AHS data for 58 SMSAs (as previously defined by the Office of Management and Budget) and the 4 Census Regions (including increases based on public comment); and (3) three- and four-bedroom FMRs were adjusted upward to reflect a standard difference of 25 percent and 40 percent, respectively, above the two-bedroom FMR base, instead of the previous 15 percent and 30 percent intervals.

The FMRs for Manufactured Home Spaces (Schedule D) were calculated by

a procedure similar to that used for the Section 8 Existing Housing FMRs: the 45th percentile rent levels for 1983 were calculated for each market area by using the ratio of the 45th percentile rent to the 40th percentile rent based on AHS rents for Manufactured Home Spaces.

Other Matters

On June 27, 1983, the Office of Management and Budget announced revised definitions of the Nation's metropolitan statistical areas (MSAs), which replace the current Standard Metropolitan Statistical Areas (SMSAs) to be effective on June 30, 1983. The Department is implementing these revised definitions for purposes of the Section 8 program effective with this rule. FMRs contained in Schedules B and D are based on OMB's new metropolitan area definitions. Because of the large number of changes in area definitions, we urge you to review carefully the list of MSA definitions contained in the explanatory notes to Schedules B and D.

The Department recognizes that the FMRs of some jurisdictions will be affected by this change, including particularly those jurisdictions no longer in metropolitan areas. In implementing these revisions, the Department is adopting a policy to ensure that no FMR area has lower rents, as a result of revised metropolitan areas, than those published for the area in proposed form on December 13, 1982.

Should a particular jurisdiction believe that there are special circumstances which warrant FMRs higher than the rents published with the final rule, the Department reminds PHAs of procedures available to them to raise contract rents. Under 24 CFR 882.106, a PHA may approve Gross Rents on a unit-by-unit basis (up to 20 percent of its authorized units) which exceed the FMR by up to 10 percent. In addition, the PHA may request that HUD authorize Gross Rents up to 20 percent above the applicable FMR for all units of a given size or type or under different circumstances for a particular neighborhood or rental unit. Please see § 882.106 for more detailed information about requirements for exception rents.

Also in conjunction with OMB's new definition of metropolitan areas, the Department is revising § 882.102 of its regulations. This section currently states that FMRs are established by unit size and two structural categories and that the geographic basis of the FMRs is the SMSA, as defined by OMB. Paragraph (b) is being revised to reflect current agency practice of establishing FMRs for Existing Housing by unit size, and Paragraph (c) is being revised to reflect

the new OMB definition of metropolitan areas.

The Department also is making a technical correction to its definition of Fair Market Rent contained in Part 882. Since this definition also contains the outdated phrase concerning structural categories contained in § 882.102(b) as described above, the Department is amending § 882.102 to conform with agency practice.

The agency has determined that these revisions need not be published as a proposed rule, as generally required by the Administrative Procedure Act (APA), since they merely reflect agency practice, and are thus exempt under section 553(b)(1) of the APA.

A Finding of No Significant Impact with respect to the environment required by the National Environmental Policy Act (42 U.S.C. 4321-4347) is unnecessary since the Section 8 Existing Housing Program is categorically excluded under HUD regulations at 24 CFR 50.21(d).

This rule does not constitute a "major rule" as that term is defined in Section 1(b) of the Executive Order 12291 on Federal Regulation issued on February 17, 1981. Analysis of the rule indicates that it does not: (1) Have an annual effect on the economy of \$100 million or more; (2) cause a major increase in cost or prices for consumers, individual industries, Federal, State or local government agencies, or geographic regions; or (3) have a significant adverse effect on competition, employment, investment, productivity, innovation, or on the ability of United States-based enterprises to compete with foreign-based enterprises in domestic or export markets.

Pursuant to section 605(b) of the Regulatory Flexibility Act (5 U.S.C. 601) the undersigned hereby certifies that this rule does not have a significant economic impact on a substantial number of small entities because FMRs reflect the rents for similar quality units in an area. Fair Market Rents do not change the rent charged for housing which is not in the Section 8 program, but establishes a ceiling on the rent which may be charged for a unit leased in the program.

This rule was listed as Item H-38-81 under the Office of Housing in the Department's Semi-Annual Agenda of Regulations published on April 25, 1983 (48 FR 18054, 18059) pursuant to Executive Order 12291 and the Regulatory Flexibility Act.

The Catalog of Federal Domestic Assistance program number is 14.156, Lower-Income Housing Assistance Program (Section 8).

List of Subjects

24 CFR Part 882

Grant programs: Housing and community development. Housing. Mobile homes. Rent subsidies.

24 CFR Part 888

Rent subsidies.

Authority: Sec. 7(d), Department of Housing and Urban Development Act (42 U.S.C. 3535(d)); sec. 8 U.S. Housing Act of 1937 (42 U.S.C. 1437(f)).

Dated: September 19, 1983.

Philip Abrams,
Assistant Secretary for Housing, Federal
Housing Commissioner.

PARTS 882 AND 888—[AMENDED]

Accordingly, 24 CFR Parts 882 and 888, are amended as follows:

§ 882.102 Amended.

1. In 24 CFR 882.102 the definition for *Fair Market Rent* is amended by removing the words "and types (e.g. elevator, non-elevator)".

2. In 24 CFR 888.102 is revised to read as follows:

888.102 Fair market rents for existing housing.

(a) *Purpose and Applicability.* Schedule B of this part sets forth the Fair Market Rents, as determined by HUD, for the Section 8 Housing Assistance Payments Program for Existing Housing (including the Housing Finance and Development Agencies Program, 24 CFR Part 883). (See 24 CFR 882.102 for the definition of Fair Market Rents.)

(b) *Categories.* These Fair Market Rents are established by unit size (number of bedrooms).

(c) *Geographic Area.* The Fair Market Rents for existing housing are

established for: (1) Each metropolitan area as defined by the Office of Management and Budget and (2) each non-metropolitan county or part of county.

3. Part 888, Subpart A, Schedule B and Schedule D are revised as follows:

Note.—The explanatory notes and Schedules will not appear in the Code of Federal Regulations.

Fair Market Rents for Existing Housing—Schedules B and D—General Explanatory Notes

1. Geographic Coverage

a. FMRs for existing Housing (Schedule B) are established for all Metropolitan Statistical Areas (MSAs), Primary Metropolitan Statistical Areas (PMSAs), nonmetropolitan counties, and county equivalents in the United States, District of Columbia, Puerto Rico, the Virgin Islands, and Guam. FMRs also are established for nonmetropolitan parts of counties in the New England states.

b. FMRs for Manufactured Home spaces (Schedule D) are established for all MSAs, PMSAs, selected nonmetropolitan counties, and the residual nonmetropolitan portion of each state.

2. Constituent Parts of Metropolitan Statistical Areas

a. The current 335 MSAs and PMSAs are those established by the Office of Management and Budget effective June 30, 1983.

b. The constituent counties (and New England towns and cities) included in the current 335 MSAs and PMSAs are identified in the explanatory note following the listing of the FMRs in Schedules B and D. The MSAs are listed in alphabetical order.

3. Calculation of FMRs for Five- or more Bedroom Units

The FMRs for unit sizes larger than four bedrooms shall be calculated by adding 15 percent to the four-bedroom FMR for each additional bedroom. To illustrate, the

calculation of the FMR for a five-bedroom unit would be $1.15 \times 4\text{-BR FMR} = 5\text{-BR FMR}$. The calculation of the FMR for a six-bedroom unit would be 1.30 times the four-bedroom FMR, etc.

4. HUD Policy in Implementing the New Definition of Metropolitan Statistical Areas (MSAs)

In those counties that have been changed from metropolitan to nonmetropolitan FMR area and the 45th percentile FMR calculations for 1983 are lower than the previously proposed 40th percentile FMRs, the previously proposed FMRs are approved for 1983. For each such county, the accompanying rent table contains a parenthetical number which represents the reduction in the accompanying FMR figure which would be appropriate, given the nonmetropolitan status of the county, in the absence of our policy of maintaining FMR levels at no less than the previously proposed (40th percentile) FMRs.

5. Arrangement of the FMR Areas by HUD Regional and Field Office Jurisdictions

The FMRs in Schedules B and D are arranged by HUD Regional and Field Office jurisdictions. The states included in each of the 10 HUD Regional Office jurisdictions are as follows:

- (a) Boston—Maine, Massachusetts, Vermont, New Hampshire, Rhode Island, Connecticut.
- (b) New York—New York, New Jersey, Puerto Rico, Virgin Islands.
- (c) Philadelphia—Maryland, Pennsylvania, Delaware, West Virginia, Virginia, District of Columbia.
- (d) Atlanta—Georgia, Alabama, South Carolina, North Carolina, Mississippi, Florida, Kentucky, Tennessee.
- (e) Chicago—Illinois, Ohio, Michigan, Indiana, Wisconsin, Minnesota.
- (f) Fort Worth—New Mexico, Texas, Arkansas, Louisiana, Oklahoma.
- (g) Kansas City—Missouri, Kansas, Iowa, Nebraska.
- (h) Denver—Wyoming, Colorado, North Dakota, Montana, Utah, South Dakota.
- (i) San Francisco—Hawaii, California, Arizona, Nevada, Guam.
- (j) Seattle—Alaska, Idaho, Oregon, Washington.

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		0	1	2	3	4
WSA	FORT MYERS, FL	280	349	408	503	559
WSA	FORT PIERCE, FL	228	178	224	400	447
WSA	MIAMI-MILAM, FL	254	424	484	611	680
WSA	WEST PALM BEACH-BOCA RATON-DELRAY BEACH, FL	322	385	449	552	610
COUNTY	CHARLOTTE	FL	290	349	408	559
COUNTY	COLLER	FL	344	412	467	607
COUNTY	GLADES	FL	232	282	330	407
COUNTY	HENDRY	FL	332	393	450	555
COUNTY	HENDRY	FL	232	283	330	407

REGION - 6 COLUMBIA, SOUTH CAROLINA OFFICE

WSA	ANDERSON, SC	188	227	269	332	370
WSA	AUGUSTA, GA-SC	244	294	344	427	478
WSA	CHARLESTON, SC	235	210	261	449	498
WSA	CHARLOTTE-GASTONIA-ROCK HILL, NC-SC	260	215	269	454	502
WSA	COLUMBIA, SC	248	299	350	434	484
WSA	FLORENCE, SC	198	241	285	350	392
WSA	GREENVILLE-SPARTANBURG, SC	212	258	300	378	417
COUNTY	ABBEVILLE	SC	186	227	269	332
COUNTY	ALLSANDER	SC	220	269	315	389
COUNTY	BAMBERG	SC	220	269	315	389
COUNTY	BARNWELL	SC	220	269	315	389
COUNTY	BEAUFORT	SC	220	269	315	389
COUNTY	CALHOUN	SC	192	242	288	354
COUNTY	CHEROKEE	SC	212	255	298	374
COUNTY	CHESTER	SC	200	244	289	359
COUNTY	CHESTERFIELD	SC	198	241	285	350
COUNTY	CLARENDON	SC	198	242	288	354
COUNTY	COLLETON	SC	220	269	315	389
COUNTY	DARLINGTON	SC	198	241	285	350
COUNTY	DILLON	SC	198	241	285	350
COUNTY	EDGEFIELD	SC	220	269	315	389
COUNTY	FAIRFIELD	SC	198	242	288	354
COUNTY	GEORGETOWN	SC	198	241	285	350
COUNTY	GREENWOOD	SC	188	227	269	332
COUNTY	HAMPDEN	SC	220	269	315	389
COUNTY	HORRY	SC	220	267	312	383
COUNTY	JESSE	SC	197	241	282	350
COUNTY	KESAW	SC	198	242	288	354
COUNTY	LANCASTER	SC	200	244	289	359
COUNTY	LAURENS	SC	188	227	269	332
COUNTY	LEE	SC	198	242	288	354
COUNTY	LEXINGTON	SC	198	241	285	350
COUNTY	MARLBORO	SC	188	241	285	350
COUNTY	MCCORMICK	SC	220	269	315	389
COUNTY	NEWBERRY	SC	198	242	288	354
COUNTY	DOCHES	SC	212	255	298	374
COUNTY	ORANGEBURG	SC	220	267	312	383
COUNTY	SALUDA	SC	220	269	315	389
COUNTY	SUMTER	SC	198	242	288	354
COUNTY	UNION	SC	188	244	289	359
COUNTY	WILLIAMSBURG	SC	198	241	285	350

REGION - 4 GREENSBORO, NORTH CAROLINA OFFICE

		0	1	2	3	4
WSA	ASHEVILLE, NC	202	249	292	359	402
WSA	BURLINGTON, NC	220	279	325	405	449
WSA	CHARLOTTE-GASTONIA-ROCK HILL, NC-SC	250	315	365	454	502
WSA	FAYETTEVILLE, NC	232	282	328	405	451
WSA	GREENSBORO-WINSTON-SALEM-HIGH POINT, NC	230	279	325	405	449
WSA	HICKORY, NC	206	249	292	367	402
WSA	JACKSONVILLE, NC	214	260	303	378	420
WSA	RALEIGH-DURHAM, NC	216	266	312	400	442
WSA	WILMINGTON, NC	212	258	301	376	417
COUNTY	ALLEGANY	NC	210	254	298	373
COUNTY	ANSON	NC	212	255	298	373
COUNTY	ASHE	NC	210	254	298	373
COUNTY	AVERY	NC	210	254	298	373
COUNTY	BEAUFORT	NC	228	271	316	394
COUNTY	BERTIE	NC	195	237	279	347
COUNTY	BLADEN	NC	222	262	308	405
COUNTY	BRUNSWICK	NC	218	265	306	385
COUNTY	CALDWELL	NC	210	254	298	373
COUNTY	CAMDEN	NC	228	271	316	394
COUNTY	CARTERET	NC	197	240	279	348
COUNTY	CASWELL	NC	242	292	342	420
COUNTY	CHAFFIN	NC	222	262	308	405
COUNTY	CHEROKEE	NC	199	242	288	354
COUNTY	CHowan	NC	228	271	316	394
COUNTY	CLAY	NC	198	243	288	354
COUNTY	CLEVELAND	NC	210	254	298	373
COUNTY	COLUMBUS	NC	214	260	303	378
COUNTY	CRAVEN	NC	197	240	279	348
COUNTY	CURRITUCK	NC	197	240	279	348
COUNTY	DARE	NC	211	254	298	373
COUNTY	DUPLIN	NC	214	260	303	378
COUNTY	EDGEcombe	NC	199	237	279	347
COUNTY	GATES	NC	228	271	316	394
COUNTY	GRAHAM	NC	198	242	288	354

COUNTY	GRANVILLE	NC	195	237	276	247	381
COUNTY	GREENE	NC	228	271	318	394	435
COUNTY	HALLFAX	NC	195	237	276	247	381
COUNTY	HARNETT	NC	232	282	328	405	451
COUNTY	HAYWOOD	NC	199	242	288	354	396
COUNTY	HENDERSON	NC	199	242	288	354	396
COUNTY	HESTFORD	NC	195	237	276	247	381
COUNTY	HORE	NC	232	282	328	405	451
COUNTY	HYDE	NC	228	271	318	394	435
COUNTY	IREDELL	NC	211	257	302	374	419
COUNTY	JACKSON	NC	199	242	288	354	396
COUNTY	JOHNSTON	NC	242	294	347	430	474
COUNTY	JONES	NC	187	240	279	348	385
COUNTY	LEE	NC	232	282	328	405	451
COUNTY	LENOIR	NC	197	240	279	348	385
COUNTY	MACON	NC	199	242	288	354	396
COUNTY	MAISON	NC	170 (27)	207 (34)	248 (39)	304 (50)	361 (66)
COUNTY	MARTIN	NC	228	271	318	394	435
COUNTY	MCDOWELL	NC	210	254	298	373	409
COUNTY	MITCHELL	NC	310	254	298	373	409
COUNTY	MONROGHERY	NC	212	255	298	373	410
COUNTY	MOORE	NC	212	255	298	373	410
COUNTY	NASH	NC	195	237	276	247	381
COUNTY	NORTHAMPTON	NC	195	237	276	247	381
COUNTY	PAWLIK	NC	197	240	279	348	385
COUNTY	PASQUOTANK	NC	228	271	318	394	435
COUNTY	PENDER	NC	214	260	303	374	420
COUNTY	PERQUIMANS	NC	228	271	318	394	435
COUNTY	PERSON	NC	223	282	328	405	451
COUNTY	PITT	NC	228	271	318	394	435
COUNTY	POLK	NC	210	254	298	373	409
COUNTY	RICHMOND	NC	212	255	298	373	410
COUNTY	ROBERTSON	NC	223	282	328	405	451
COUNTY	ROCKINGHAM	NC	187	241	282	350	388
COUNTY	RUTHERFORD	NC	210	254	298	373	409
COUNTY	SAMPSON	NC	232	282	328	405	451
COUNTY	SCOTLAND	NC	187	229	271	325	375
COUNTY	STANLY	NC	187	229	271	325	375
COUNTY	SURRY	NC	220	279	325	405	448
COUNTY	SWAIN	NC	199	242	288	354	396
COUNTY	TRANSYLVANIA	NC	199	242	288	354	396
COUNTY	TYRRELL	NC	228	271	318	394	435
COUNTY	VANCE	NC	185	237	276	247	381
COUNTY	WARDEN	NC	253	305	357	440	481
COUNTY	WASHINGTON	NC	226	271	318	394	435
COUNTY	WATAUGA	NC	210	254	298	373	409
COUNTY	WAYNE	NC	228	271	318	394	435
COUNTY	WILKES	NC	210	254	298	373	409
COUNTY	WILSON	NC	195	237	276	247	381
COUNTY	YANCEY	NC	210	254	298	373	409

REGION - 4 JACKSON, MISSISSIPPI OFFICE

MSA	BILLOXI-GULFPORT, MS	235	310	356	483	483	
MSA	JACKSON, MS	248	300	374	468	517	
MSA	MEMPHIS, TN-AR-MS	228	273	320	420	455	
MSA	PASCAGOULA, MS	234	309	355	461	493	
COUNTY	ADAMS	MS	187	230	271	359	390
COUNTY	ALCORN	MS	223	283	309	392	432
COUNTY	AMITE	MS	197	230	271	359	390
COUNTY	ATTALA	MS	213	238	283	367	397
COUNTY	BENTON	MS	196	235	271	338	375
COUNTY	BOLIVAR	MS	214	233	284	359	392
COUNTY	CALHOUN	MS	214	260	301	378	440
COUNTY	CARBOLL	MS	213	238	283	367	397
COUNTY	CHICKASAW	MS	223	283	309	392	432
COUNTY	CHOCTAW	MS	213	243	290	357	398
COUNTY	CLAIBORNE	MS	213	238	283	367	397
COUNTY	CLARKE	MS	214	260	303	378	420
COUNTY	CLAY	MS	213	243	290	357	398
COUNTY	COAHOMA	MS	217	263	307	382	423
COUNTY	COPIAH	MS	213	238	283	367	397
COUNTY	COVINGTON	MS	214	260	303	378	420
COUNTY	FOREST	MS	214	260	303	378	420
COUNTY	FRANKLIN	MS	197	230	271	359	390
COUNTY	GEORGE	MS	211	255	298	370	411
COUNTY	GREENE	MS	211	255	298	370	411
COUNTY	GRENADE	MS	213	238	283	367	397
COUNTY	HOLMES	MS	213	238	283	367	397
COUNTY	HUMPHREYS	MS	214	233	284	359	392
COUNTY	ISSAQUEUNA	MS	214	233	284	359	392
COUNTY	ITAWAMBA	MS	223	283	309	392	432
COUNTY	JASPER	MS	214	260	303	378	420
COUNTY	JEFFERSON	MS	197	230	271	359	390
COUNTY	JEFFERSON DA	MS	197	230	271	359	390
COUNTY	JONES	MS	214	260	303	378	420
COUNTY	KEWEE	MS	214	260	303	378	420
COUNTY	LAFAYETTE	MS	213	255	298	367	407
COUNTY	LAMAR	MS	214	260	303	378	420
COUNTY	LAUDERDALE	MS	224	288	328	404	474
COUNTY	LAURENCE	MS	197	230	271	359	390

APPENDIX H

County No.	Rental Units	<u>Rental Sites By County</u>	56 Macon 57 Madison	3 1
03 Alleghany	7	59 McDowell		6
04 Anson	1			
05 Ashe	8	60 Mecklenburg		10
06 Avery	4	61 Mitchell		1
07 Beaufort	3	62 Montgomery		6
08 Bertie	3	63 Moore		8
09 Bladen	8	64 Nash		0
10 Brunswick	4	65 New Hanover		8
11 Buncombe	13	66 Northampton		11
12 Burke	54	67 Onslow		2
13 Cabarrus	4	68 Orange		43
16 Carteret	5	70 Pasquotank		11
17 Caswell	1			
24 Columbus	2	71 Pender		3
25 Craven	1	74 Pitt		1
26 Cumberland	4	75 Polk		1
		77 Richmond		10
31 Duplin	0	78 Robeson		4
32 Durham	12	79 Rockingham		6
33 Edgecombe	17	80 Rowan		7
34 Forsyth	11	81 Rutherford		4
		82 Sampson		2
36 Gaston	4	84 Stanly		5
37 Gates	2	85 Stokes		4
39 Granville	18	86 Surry		3
41 Guilford	21	88 Transylvania		1
		91 Vance		9
42 Halifax	13	92 Wake		170
43 Harnett	2	93 Warren		0
44 Haywood	11	94 Washington		8
45 Henderson	5	95 Watauga		29
47 Hoke	1			
49 Iredell	2	96 Wayne		61
		97 Wilkes		1
50 Jackson	13	98 Wilson		0
		99 Yadkin		1
51 Johnston	4	00 Yancey		4
54 Lenoir	4			

APPENDIX I

NORTH CAROLINA GENERAL ASSEMBLY
LEGISLATIVE SERVICES OFFICE
2129 STATE LEGISLATIVE BUILDING
RALEIGH 27611



GEORGE R. HALL, JR.
LEGISLATIVE ADMINISTRATIVE OFFICER
THOMAS L. COVINGTON
DIRECTOR OF FISCAL RESEARCH
TERRENCE D. SULLIVAN
DIRECTOR OF RESEARCH
GERRY F. COHEN
DIRECTOR OF LEGISLATIVE DRAFTING

LEGISLATIVE SERVICE OFFICE
TELEPHONE 733-7044
FISCAL RESEARCH DIVISION
TELEPHONE 733-4910
RESEARCH DIVISION
TELEPHONE 733-2578
LEGISLATIVE DRAFTING DIVISION
TELEPHONE 733-6660

May 7, 1984

Mr. Charles Holliday
Assistant Director
Office of State Property
Department of Administration
Administration Building
Raleigh, N. C. 27611

Dear Mr. Holliday:

Thank you for your Department's contribution to the work of the Legislative Research Commission's Study Committee on State-owned Rental Housing. Because of your contribution the Committee was able to identify, during the April 10, 1984 meeting, the Departments of Agriculture, Community Colleges, Correction, Cultural Resources, Higher Education (UNC), Human Resources, Natural Resources and Community Development and Transportation as owners of rental housing.

The Committee would be most appreciative if you would review your files to verify that all Departments owning rental housing have been identified. Additionally, your attendance at the Committee's upcoming May 11, 1984 meeting (Room 1425, State Legislative Building, 10:30 a.m.) would be most helpful in order that you might assist the Committee as it develops its recommendations to the 1984 General Assembly.

Thank you again for your assistance and I hope to see you Friday.

Sincerely,

A handwritten signature in cursive script, reading "E. Ann Christian".

E. Ann Christian
Committee Counsel



State of North Carolina

Department of Agriculture

Raleigh

27611

April 19, 1984

JAMES A. GRAHAM
COMMISSIONER
WILLIAM G. PARHAM, JR.
DEPUTY COMMISSIONER

FINANCIAL AND DATA PROCESSING
SERVICES
MAURICE A. WEAVER
BUDGET OFFICER

MEMORANDUM

TO: Ann Christian
Legislative Services Office

FROM: Maurice A. Weaver *MAW*
Budget Officer

SUBJECT: State-Owned Rental Housing

The Attached material is provided as this agency's recommendation on the disposition of non-essential Rental housing.

RESEARCH STATIONS: Rental housing on the several research stations has been listed in one of three categories: Essential, Essential Short-term and Non-essential. Housing considered essential should be retained to provide on-farm residences for employees critical to various research projects. For the most part, such employees tend livestock and dairy animals which require attention daily, and often during non-work hours. Essential short-term denotes those dwellings occupied by employees who are not required to reside on the station, and will be sold when vacated. Vacancies will occur upon the employee leaving station employment or upon his death.

Departmental policy does not permit the commitment of additional state resources to essential short-term housing. Consequently, as these dwellings deteriorate, many employees will find it desirable to move into privately owned dwellings, at which time the vacant state-owned house will be sold.

Non-essential housing will be sold through the state's surplus property agency for removal or demolition.

STATE FARMS: All housing on the several state farms has been declared non-essential with the exception of one dwelling at the Cherry Farm Unit. This house located at 413 Farm Circle Drive will be used as the farm office. All remaining houses are scheduled for sale and removal from state property by December 31, 1984

Page 2

April 19, 1984

STATE FAIR: Only two dwellings are controlled by the State Fair. One is located on the grounds near the Youth Center and occupied by a part-time employee who serves as caretaker. The security provided by this individual living on the grounds is quite valuable. If the equivalent security was provided by professional security personnel, the cost would exceed \$18,000 annually. The second dwelling is located across Trinity Rd., east of Carter-Finley Stadium. Although occupied by another State Fair employee, this house is not considered essential. As soon as other housing can be acquired by the employee, the house will be sold for removal from state property. Sale and removal of the house is scheduled to be completed by December 31, 1984.

If you have questions, please contact me at 733-7314.

MAW:mw

Attachment

cc: Alex Lewis
Jay Davis
Pat Kelley
Sam Rand

<u>LOCATION</u>	<u>DWELLING NO.</u>	<u>DESCRIPTION</u>
Border Belt Whiteville	D-2*	Wood frame, 3 bedroom; 1372 sqft; built 1958
Hort Crops Clinton	D-20*	Brick, 3 bedroom; 1370 sqft; built 1971
	D-21*	Wood frame, 3 bedroom; 1144 sqft; built 1971
	D-22*	Wood frame, 3 bedroom; 1144 sqft; built 1971
Mountain Waynesville	D-3*	Brick, 7 rooms; 1750 sqft; built 1950
	D-8*	Brick, 5 rooms; 1300 sqft; built 1946
	D-14*	Wood frame, 5 rooms; 912 sqft; built 1954
	D-19*	Brick, 5 rooms; 1300 sqft; built 1945
	D-25*	Wood frame, 2 story, 7 rooms; 1150 sqft; built 1935
	D-27*	Wood frame, 3 bedrooms; 1144 sqft; built 1969
	D-1***	Wood frame, 4 rooms; 720 sqft; built 1948
	D-2***	Wood frame, 4 rooms; 840 sqft; built 1950
	D-26***	Block, 5 rooms; 720 sqft; built 1945
Oxford Tobacco Oxford	D-20*	Wood frame, 2 story, 9 rooms; 3953 sqft; built 1912
	D-22*	Wood frame, 1½ story, 6 rooms; 2142 sqft; built 1915
	D-24**	Wood frame, 2 story; 1423 sqft; built 1918
	D-26**	Wood frame; 864 sqft; built 1951, remodeled 1976
	D-35**	Wood frame, 4 rooms; 1170 sqft; remodeled 1974
	(19, 27, & 29 have been sold)	
Peanut Belt Lewiston	D-9*	Wood frame, 3 bedroom; 1400 sqft; built 1969
	D-10*	Brick, 6 rooms; 2012 sqft; built 1954
	D-22**	Block, 5 rooms; 912 sqft; built 1954
	(D-1 sold; D-20 converted to storage)	

* essential
** essential short-term
*** non-essential

<u>LOCATION</u>	<u>DWELLING NO.</u>	<u>DESCRIPTION</u>
Piedmont Salisbury	D-7*	Block, 5 rooms; 1144 sqft; built 1955
	D-14*	Block, 5 rooms; 1144 sqft; built 1957
	D-20*	Brick, 3 bedrooms; 2124 sqft; built 1955 renov 1983
	D-21*	Wood frame, 3 bedrooms; 1352 sqft; built 1965
	D-24*	Block, 5 rooms; 1144 sqft; built 1957
	D-35*	Wood frame, 3 bedroom; 1144 sqft; built 1968
	D-54*	Wood frame, 3 bedroom; 1144 sqft; built 1968
	D-3***	Wood frame, 2 story, 8 rooms; 2880 sqft; built 1940
	D-12***	Wood frame, 5 rooms; 1224 sqft; built 1946
	D-49***	Wood frame, 2 story, 7 rooms; 1867 sqft; built 1940
(D-13 converted to Shop; D-50 converted to Poultry Office; D-23 & D-41 converted to storage)		
Tidewater Plymouth	D-3*	Wood frame, 1½ story, 6 rooms; 1325 sqft; built 1944
	D-5*	Brick, 7 rooms; 1885 sqft; built 1951
	D-7*	Brick, 6 rooms; 1500 sqft; built 1945
	D-6**	Wood frame, 1½ story, 6 rooms; 1425 sqft; built 1945
	D-1***	Wood frame, 5 rooms; 1090 sqft; built 1952
	D-2***	Block, 5 rooms; 924 sqft; built 1954
	D-4*	Brick, 6 rooms; 1500 sqft; built 1945
Upper Coastal Rocky Mount	D-1*	Brick, 3 bedroom; 1600 sqft; built 1964
	D-13*	Wood frame, 5 rooms; 1344 sqft; built 1902
	D-14*	Wood frame, 3 bedroom; 1144 sqft; built 1969
	D-16*	Block, 3 bedrooms; 1056 sqft; built 1969
	D-17*	Wood frame, 5 rooms; 2240 sqft; built 1928
	D-26*	Block, 5 rooms; 1056 sqft; built 1958
	D-20**	Wood frame, 4 rooms; 780 sqft; built 1950
(D-25 sold)		

<u>LOCATION</u>	<u>DWELLING NO.</u>	<u>DESCRIPTION</u>
Upper Mountain Laurel Springs	D-2*	Brick, with basement, 8 rooms; 1517 sqft; built 1965
	D-16*	Brick, 5 rooms; 1200 sqft; built 1945
	D-21*	Wood frame, 3 bedroom; 1144 sqft; built 1968
	D-4**	Wood frame, 6 rooms; 1056 sqft; built 1958
	D-11**	Wood frame, 4 rooms; 924 sqft; built 1950
	D-1***	Block, 4 rooms; 884 sqft; built 1945
	D-8***	Wood frame, 5 rooms; 924 sqft; built 1950
NCSU Central Crops Clayton	D-1*	Brick, 3 bedroom; 2068 sqft; built 1955
	D-2*	Block, 3 bedroom; 1398 sqft; built 1955
	D-45*	Wood frame, 3 bedroom; 1433 sqft; built 1968
	D-5**	Block, 2 bedroom; 1056 sqft; built 1955
	D-6***	Block, 3 bedroom; 1056 sqft; built 1955
	D-9***	Block, 3 bedroom; 1056 sqft; built 1956
	D-10***	Block, 3 bedroom; 1056 sqft; built 1956
	D-11***	Block, 3 bedroom; 1056 sqft; built 1956
	(D-4 & 7 have been converted to storage)	
Hort Crops Castle Hayne	D-7*	Wood frame, 3 bedroom; 1440 sqft; built 1961
	D-8*	Double wide trailer ; 1344 sqft; built 1980
Lower Coastal Plain Kinston	D-1*	Wood frame, 3 bedroom; 1200 sqft; built 1965
Mountain Hort Crops Fletcher	D-11*	Wood frame, 3 bedroom; 1140 sqft; built 1965
	D-12*	Wood frame, 3 bedroom; 900 sqft; built 1965
	D-16*	Brick, 2 bedroom; 1166 sqft
	D-17**	Wood frame, 3 bedroom; 1560 sqft

<u>LOCATION</u>	<u>DWELLING NO.</u>	<u>DESCRIPTION</u>
Sandhills Jackson Springs	D-1*	Wood frame, 3 bedroom; 1300 sqft; built 1951
	D-5*	Block, 3 bedroom; 1200 sqft; built 1957
	D-9*	Modular house, 3 bedroom; 1152 sqft; built 1974
	D-6**	Wood frame, 2 bedroom; 650 sqft; built 1930
	D-10***	Block, 2 bedroom; 900 sqft; built 1953
Upper Piedmont Reidsville	D-8*	Wood frame,; 1350 sqft; built 1930
	D-10*	Duplex apartment, wood frame; 900 sqft; built 19

SUMMARY OF HOUSING

<u>Location</u>	<u>Essential</u>	<u>Essential Short-term</u>	<u>Non-essential</u>
Border Belt	1		
Hort Crops/Clinton	3		
Mountain	6		3
Oxford	2	3	3
Peanut Belt	2	1	2
Piedmont	7		7
Tidewater	4	1	2
Upper Coastal	6	1	1
Upper Mountain	<u>3</u>	<u>2</u>	<u>2</u>
Total NCDA	34	8	20
<hr/>			
Central Crops	3	1	6
Hort Crops/CH	2		
Lower Coastal Plain	1		
Mtn Hort Crops	3	1	
Sandhills	3	1	1
Upper Piedmont	<u>2</u>		
Total NCSU	14	3	7
<hr/>			
Totals	48	11	27

LIST OF RENTAL HOUSES - STATE FARM OPERATIONS - April 11, 1984

<u>FARM</u>	<u>ADDRESS</u>	<u>SQ. FT.</u>	
Broughton	✓ Wood Frame Dwelling, Leonard Farm	1372	
Caswell	None		
Cherry	413 Farm Circle Drive (New Office)	1532	3 bedroom
	425 Farm Circle Drive	1051	3 bedroom
	419 Farm Circle Drive	1051	3 bedroom
	507 North Rosewood Road	1051	3 bedroom
	513 North Rosewood Road	1051	3 bedroom
	519 North Rosewood Road	1051	3 bedroom
	701 North Rosewood Road (Process of being sold)	1400	3 bedroom
Dix	EC-252 Mid Pines Road	900	
	x EC-240 1002 Blair Drive	1004	
	EC-250 Mid Pines Road	865	
	x EC-249 1705 Crump Road	865	
	EC-251 Mid Pines Road	1290	
	EC-253 Mid Pines Road	1344	
Umstead	#43, SR 1004, Dairy Barn	1030	
	#45, SR 1004, Dairy Barn	921	
	#47, SR 1004, Dairy Barn	921	
	#49, SR 1004, Dairy Barn	1030	
	500 West "H" Street	1712	
	600 West "H" Street	2340	(Condemned)

**DEPARTMENT OF COMMUNITY COLLEGES**

NORTH CAROLINA STATE BOARD OF COMMUNITY COLLEGES

ROBERT W. SCOTT
STATE PRESIDENT

RALEIGH 27611

919 733-7051

April 18, 1984

Ms. E. Ann Christian
Committee Counsel
North Carolina General Assembly
Legislative Services Office
Legislative Drafting Division
2129 State Legislative Building
Raleigh, North Carolina 27611

Dear Ms. Christian:

The Department of Community Colleges does not own any rental property and does not anticipate ever being in the rental business. Some of the institutions of the system do own homes for their presidents but these are strictly through the Boards of Trustees. We, therefore, do not have anything to report on this matter.

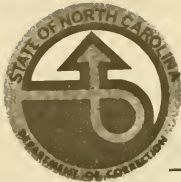
If we can offer any additional information, please contact me.

Sincerely,

A handwritten signature in dark ink, appearing to read "T. King", with a long, sweeping horizontal stroke extending to the right.

Thomas C. King, Jr., Vice President
Financial Services

TCKjr/sjm

JAMES B. HUNT, JR.
GovernorNORTH CAROLINA
DEPARTMENT OF CORRECTION

840 W. Morgan Street

Raleigh, N. C. 27603

(919) 733-4926

JAMES C. WOODARD
Secretary

April 25, 1984

MEMORANDUM

TO: E. Ann Christian
Committee Counsel

FROM: T. S. Ryon, Jr. *[Signature]*
Deputy Secretary

RE: N. C. Department of Correction Owned Rental Housing

I have reviewed the data supplied by the Department of Administration regarding the rental property owned by the Department of Correction. The Department feels that the only unit which can be designated as "nonessential" is the house in Wadesboro. This house has been used as a unit storage building for at least the last ten years. Thus, the Department has converted it to another appropriate use. The Department feels that the remaining units are essential (that is, on a cost/benefit basis in the Department's best interest to maintain). Having employees living at each unit is in the best interest of the Department, however, because of the cost of new construction it would not be cost justified to provide new housing throughout the system. We do feel that the current rental property should be maintained by the Department and that the rates should reflect the benefits to the Department of having staff living at the unit and thus readily available when needed. In addition, two of the houses at Caledonia and one at Odom are occupied by employees of Correctional Enterprises which operate the farms at these units. It is essential that we have farm employees always available to deal with the many problems of such a large operation.

If it is determined that these houses should be sold, then the Department feels that these houses must be moved only after determining that an appropriate alternative use cannot be found.

As you can readily see, the Department feels very strongly that maintaining these houses as rental units at the existing rental rates is in the best interest of the Department of Correction and the State of North Carolina.

If I can provide any additional information, please advise.

TSR:ag

cc: Charles Grady

P.S. Please advise me of the next committee meeting and any additional information I should be expected to provide to the committee.

NORTH
CAROLINA
DEPARTMENT
OF
CULTURAL
RESOURCES

Raleigh,
North Carolina
27611

Division of
Archives and History
William S. Price, Jr., Director

Sara W. Hodgkins,
Secretary
James B. Hunt, Jr.,
Governor



April 24, 1984

Ms. E. Ann Christian
Committee Counsel
Legislature Research Commission
in State-owned Rental Property
2129 State Legislature Building
Raleigh, NC 27611

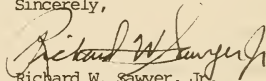
Dear Ms. Christian:

It was my pleasure to appear before the Commission on April 10, 1984. As I stated at my appearance, I wish we could get out of the rental business but due to the value of our Collections at the State Historic Sites, we feel it of great importance that we continue to have these rental houses.

We are in the process of disposing of our rental property at Historic Halifax. We feel that this house was not essential, so we have decided to sell it and have it moved from the property.

Should you have other questions, please call me.

Sincerely,


Richard W. Sawyer, Jr.
Administrator
Historic Sites Section

RWS/tw

cc: W. S. Price
Sara Hodgkins



STATE OF NORTH CAROLINA
DEPARTMENT OF TRANSPORTATION
RALEIGH 27611

JAMES B. HUNT JR.
GOVERNOR

April 17, 1984

WILLIAM R. ROBERSON, JR.
SECRETARY

Ms. E. Ann Christian
Committee Counsel
Legislative Research Commission
Committee on State-Owned Rental Property
Room 2129, State Legislative Building
Raleigh, North Carolina

Dear Ms. Christian

Attached you will find the essence of the statement I made before the Legislative Committee on State-owned Rental Property. Since the Department does not own rental housing (housing leased to State employees) I did not have a prepared text.

Sincerely,

A handwritten signature in dark ink, appearing to read "David B. Hayes". The signature is written over the typed name and title.

David B. Hayes
Assistant Secretary for Management/Planning

DBH/dh

Attachment

cc: Secretary Roberson

April 17, 1984

SUBJECT: Comments made by David Hayes, Assistant Secretary for Management
on April 10, 1984 before the Legislative Research Commission's
Committee on State-owned Rental Property

Mr. Chairman, Members of the Committee - When I came to this meeting
I was ready to state that the Department of Transportation does not
own houses which are rented to employees.

I have just had an opportunity to review the study by the Department
of Administration which lists Departments which have rental housing. The
report confirms my information, we don't have such property.



STATE OF NORTH CAROLINA
DEPARTMENT OF HUMAN RESOURCES
325 NORTH SALISBURY STREET
RALEIGH 27611

JAMES B. HUNT, JR.
GOVERNOR

SARAH T. MORROW, M.D., M.P.H.
SECRETARY

April 16, 1984

TELEPHONE
919/733 4534

Senator Dallas L. Alford, Jr., Co-Chairman
Representative George W. Brannan, Co-Chairman
LRC Committee on State-Owned Rental Housing
2129 State Legislative Building
Raleigh, North Carolina 27611

Dear Senator Alford and Representative Brannan:

This information describes our perspective on the use of state-owned housing and the "essential" and "desirable" aspects of its availability to our staff.

In past years, three conditions existed in the Department of Human Resources that were pertinent to this issue:

1. staffing levels were less than adequate and we had a true need for off-duty employees to be close by in the event of an emergency,
2. pay levels for certain classifications were too low, and the benefit of low-cost housing partially offset the less competitive wages we had to offer, and
3. houseparents that lived in the dorms occupied by students were the only staff available to supervise the children at night.

Currently, staffing levels are consistent with ratios associated with psychiatric hospitals, MR centers, and our school programs. The Office of State Personnel no longer factors housing benefits into the compensation package for our staff. And we now assign staff to student residences at night, rather than depend on staff living in the same building.

Therefore, we conclude that it is not essential for any staff occupying state-owned quarters to live on campus for operation of the facility. It was noted in our presentation to your committee on April 10 that 13 DHR campuses do not even have state-owned housing for staff.

Senator Dallas L. Alford, Jr.
Representative George W. Brannan
April 16, 1984
Page 2

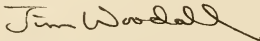
It must be recognized that it can be desirable for this practice to continue in some places for the following reasons:

1. it is recruiting tool for staff, particularly physicians and nurses, in the psychiatric hospitals,
2. it does allow a quicker response time for maintenance personnel when they are called back for an emergency, and
3. the availability of additional staff is of value, especially at night in the dorms in our schools, whenever a child gets sick or is injured.

Many of the houses and apartments we rent are getting in poor shape. The rental rates now being collected are inadequate to regularly replace roofs, furnaces, water heaters, etc. Our regular campus buildings that house patients and program space also need substantial maintenance time, and employee housing can reduce available maintenance staff time for regular buildings.

In recent years DHR has demolished, sold, or renovated for campus use many of these residences. We would like to continue this in an orderly fashion.

Sincerely,



Jim Woodall, Director
Budget and Analysis

JW/cd



STATE OF NORTH CAROLINA
DEPARTMENT OF HUMAN RESOURCES
325 NORTH SALISBURY STREET

RALEIGH 27611

SARAH T. MORROW, M.D., M.P.H.
SECRETARY

TELEPHONE
919/733-4534

JAMES B. HUNT, JR.
GOVERNOR

April 27, 1984

MEMORANDUM

TO: E. Ann Christian, Counsel
LRC Committee on State-Owned Rental Housing

FROM: Jim Woodall, Director
Budget and Analysis *Jim Woodall*

SUBJECT: State-Owned Housing in DHR

The following is additional information on housing that is desirable to maintain on our campuses:

Training Schools - all units are desirable, three each at Samarkand, Dobbs, and Jackson; eight at the J.E.C.

Schools for the Deaf - all units are desirable (apartments)

Psychiatric Hospitals - at Broughton Hospital, twenty houses on the main campus are desirable to continue, plus four multiple-occupancy units; at Umstead Hospital, apartments for psychiatric residents and the nurses' dorm are desirable to continue; at Dix Hospital, twenty-eight houses on the East Campus should be maintained for physicians and senior staff; at Cherry Hospital, ten housing units of brick construction are desired for senior medical staff.

The houses and apartments not included above can be sacrificed without disruption of the campus responsibilities. If the Committee chooses to do this, our policy would be to sell the property or to use the property for campus activities. If neither idea seemed practical, then we would demolish the structure as we occasionally have when a dilapidated residence was evacuated.

All of the above steps would occur as attrition caused the dwellings to become vacant. We would not evict any employees.

JW/cd

516



North Carolina Department of Natural Resources & Community Development

James B. Hunt, Jr., Governor

James A. Summers, Secretary

Deputy Secretary

Billy Ray Hall

Telephone 919 733-4984

April 27, 1984

MEMORANDUM

To: Ann Christian
Committee Counsel

From: Anne Griffith

Re: Rental Housing Information

Attached is the information that you requested regarding rental housing in the Department of Natural Resources and Community Development. Please let me know if you need further information.

AG:baj

Attachments

丁/7

DIVISION OF PARKS AND RECREATIONSTAFF RENTAL HOUSINGBackground:

It has been a procedure from the beginning of the development of the State Park System to provide rental housing for the Ranger staff operating and maintaining each park and recreation area. This practice has been essential for the adequate protection of the natural resources, protection of the park visitors and to protect facilities and equipment. This has been a successful practice and a wise investment for the State.

The rental fee has been based primarily on the need to maintain these housing units. Currently, \$20,000 - \$25,000 is collected in rent and the same amount is spent maintaining the units. Most of the units have been built by the State as new houses and a few of the houses have been acquired with the acquisition of park properties. Nonessential housing has not been acquired.

The State Park System has 53 housing units being rented to staff in 22 park areas. Four housing units have been converted into park offices and three smaller cabin size units will be renovated as vacation cabins. At the present time there are no nonessential rental houses in the State Park System.

Security Needs:

Most State Park and Recreation Areas have buildings and equipment that require security. Examples would be the park office with office equipment; workshop with maintenance tools and equipment; vehicle garage with automotive equipment, tools and supplies; warehouse with janitorial supplies; etc.

The State has a considerable investment in each of these developed areas and security is needed to prevent vandalism and major breakins.

Other Benefits:

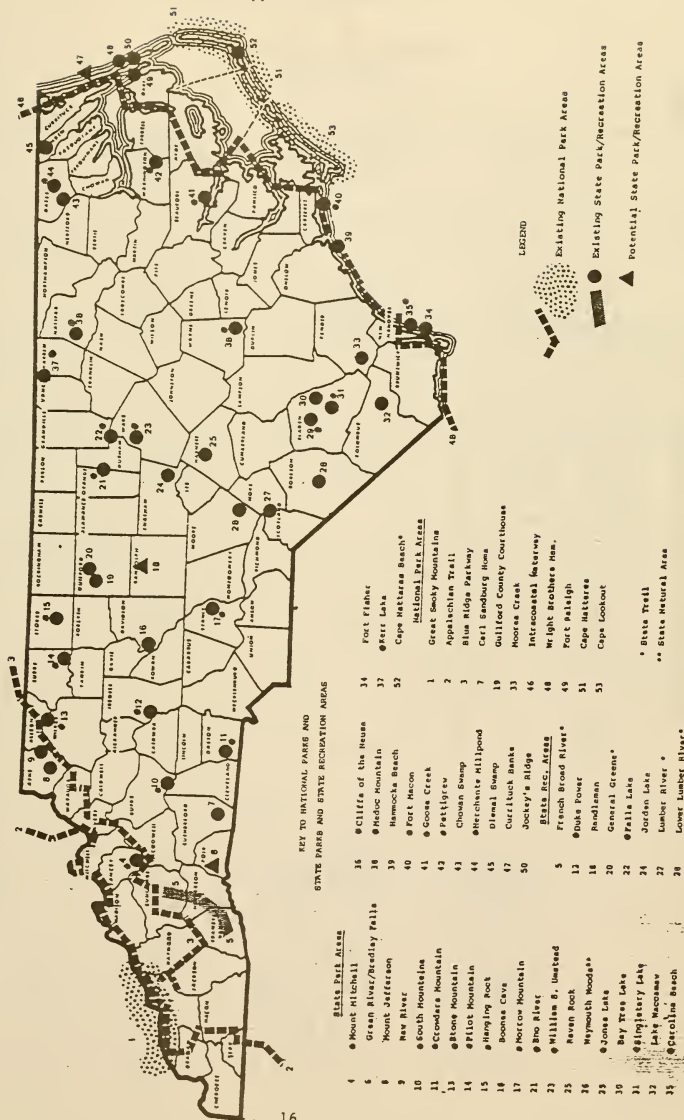
The park staff living in the park and recreation areas provide additional benefits to the State. Some of these benefits are as follows:

1. Fire prevention and fire protection for the natural resources and facilities within the park.
2. Staff presence greatly reduces vandalism and major crimes during off duty hours.
3. Park visitors that camp or stay in cabins need access to staff during off hours when the park is closed. Examples: emergency phone calls, sick children, heart attacks, etc.
4. Staff needs to be available when utility breakdowns and other problems occur. Examples: break in water line and campers have no water, power goes off in cabins and frozen foods are melting, etc.
5. Staff is available for accidents that require medical service such as cuts, falls, snake bites, etc. that occur during off duty hours to campers and cabin users.
- o. Staff living in the park but off duty can be called to help with lost park visitors, fight forest fires, search for down planes, help with storm damages, etc.

STATE PARK AND RECREATION HOUSING UNITS

<u>Park</u>	<u>Units</u>
Carolina Beach	1 Unit
Cliffs of the Neuse	3
Crowders's Mountain	3
Duke Power	2
Eno River	1
Falls Lake	3
Fort Macon	3
Goose Creek	1
Hanging Rock	4
Jones Lake	1
Kerr Lake	8
Medoc Mountain	1
Merchants Millpond	1
Morrow Mountain	3
Mount Mitchell	3
Pettigrew	1
Pilot Mountain	3
Singletary Lake	1
South Mountain	1
Stone Mountain	4
Umstead - Crabtree	3
Umstead - Reedy Creek	2
Total: <u>34</u>	<u>53</u>

EXISTING AND PROPOSED NATIONAL PARKS, STATE PARKS AND RECREATION AREAS



DIVISION OF PAPERS AND RECREATION

MONTHLY RENTAL DEDUCTION SCHEDULE

BUILDING CLASS	64(5-8) 68(1-8)	SALARY CLASS	
		60(5-8) 64(1-4)	56(5-8) 60(1-4)

-1-					
Good Accessibility Within 6 miles of Center of Town or Village having Modern Social Conveniences such as schools, churches, markets, medical facilities, etc.	A	60.00	50.00	40.00	30.00
	B	55.00	45.00	35.00	25.00
	C	50.00	40.00	30.00	22.50
	D	40.00	35.00	25.00	20.00
Add - Air Condition - Flat Rate \$2.50					

-2-					
Fair Accessibility Within 7-15 miles from a group -1- type of settlement or Within 7 miles of a small town which does not possess all the Modern Conveniences as markets, churches schools, medical facilities, etc.	A	50.00	40.00	30.00	25.00
	B	45.00	35.00	27.50	22.50
	C	40.00	30.00	25.00	20.00
	D	35.00	25.00	20.00	17.50
Add - Air Condition - Flat Rate \$2.50					

-3-					
Isolated Stations - All which are less Accessible than Group -2-	A	40.00	35.00	30.00	25.00
	B	35.00	30.00	25.00	20.00
	C	30.00	25.00	20.00	17.50
	D	25.00	22.50	17.50	15.00
Add - Air Condition - Flat Rate \$2.50					

KEY

- A: Modern 6 or More Rooms
 B: Modern 4 or 5 Rooms
 C: Modern 3 Rooms or Less
 D: Not Modern 3 Rooms or Less and Trailers

Deductions for salary grades 62 and 66 will be determined by where the salary falls within the salary classes above.

DIVISION OF FOREST RESOURCES
RENTAL HOUSING

Pursuant to your request for information on rental houses, the Division of Forest Resources currently has 41. This is a reduction from an original number of 86. Several of the 41 have been identified for elimination in the near future.

It is our policy to continue the elimination of houses that don't contribute significantly to the operation of the Division. The two primary criteria used in this assessment are fire readiness and security.

In many of the remote areas of the state having a Forest Fire Equipment Operator or Ranger living at a headquarters or equipment storage area has provided an improved fire reporting system for the public and quicker response by our people to the fires. With countywide emergency communications networks developing across the state, this justification has decreased in many areas, but remains viable in others.

The Division also has numerous sites statewide where vehicles, forest fire equipment, nursery equipment and operations and state forest equipment are located. Vandalism and theft occur intermittently at some of these sites, with a lesser amount at the locations with dwellings than at those without.

The elimination of houses has occurred not only where the need was reduced but also where some of the houses have deteriorated to the point that the maintenance cost has become prohibitive. This is an increasing problem since many of these houses were built during the CCC era, 40 to 50 years ago.

Since some of these houses have been occupied for many years by an employee who has contributed considerably to the upkeep and care of the structure, the Division has requested through the Department an allowance for these individuals to buy the houses at market value as they become surplus to our needs and move them to another location. We have not, however, been able to receive approval for this except through the normal bidding process.

If you need more specific information on the individual houses and related circumstances at this time, please let us know.

THE UNIVERSITY OF NORTH CAROLINA

General Administration

P O. BOX 2688
CHAPEL HILL 27514

TELEPHONE (919) 962-6981

April 27, 1984

Ms. E. Ann Christian
Committee Counsel
Legislative Drafting Division
Legislative Services Office
2129 State Legislative Building
Raleigh, North Carolina 27611

Dear Ms. Christian:

In response to your request of April 13, 1984, we asked the constituent institutions to review their questionnaire responses to the recent Department of Administration, State Property Office's survey on State-owned rental property and to indicate any facilities viewed by the institution as nonessential in terms of the criteria specified in Section 2, Chapter 905 of the 1983 Session Laws.

In the context of the specified criteria, two facilities were classified by the institutions as nonessential at this time. The institution is in the process of disposing of both properties identified below.

The University of North Carolina at Chapel Hill

1. House and lot; 425 West Cameron Avenue, Chapel Hill
(State Property Office Asset #147)
2. House and lot; 427 West Cameron Avenue, Chapel Hill
(State Property Office Asset #148)

Five facilities were designated as essential for a limited, although undetermined, length of time. These properties, which are identified below, either involve a commitment to the present occupant, or the present use of the property will be terminated when it is needed for campus expansion or other institutional use.

Appalachian State University

1. House; 417 Stansbury Circle
(State Property Office Asset #97)

North Carolina State University

1. Research Unit #5; Farm house (State Property Office Asset #1)
2. Research Unit #5; Farm house (State Property Office Asset #3)
3. Research Unit #1; Farm house (State Property Office Asset #4)

North Carolina Central University

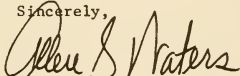
1. House; 523 Nelson Street (State Property Office Asset #41)

Ms. E. Ann Christian
Page 2
April 27, 1984

A more extensive review of the State Property Office's survey information would be required before The University could make a more complete evaluation of the data, provide specific comments and representations, and make a reconciliation of the data provided with University records.

If additional information is needed, please let me know.

Sincerely,

A handwritten signature in dark ink, appearing to read "Allen S. Waters". The signature is fluid and cursive, with the first name "Allen" and last name "Waters" clearly distinguishable.

Allen S. Waters
Assistant Vice President-Finance
and University Property Officer



State of North Carolina
Department of Agriculture

Raleigh

27611

May 15, 1984

JAMES A. GRAHAM
COMMISSIONER

WILLIAM G. PARHAM, JR.
DEPUTY COMMISSIONER

FINANCIAL AND DATA PROCESSING
SERVICES

MAURICE A. WEAVER
BUDGET OFFICER

MEMORANDUM

TO: Ann Christian
Legislative Services Office

FROM: Maurice A. Weaver *MAW*
Budget Officer

SUBJECT: State-Owned Rental Housing

As per your request:

Department of Agriculture

Total Non-Essential Rental Housing	60
Total to be Sold: House & Land	0
Total to be Sold: House Only	51
Total Diverted to Alternative Use	9

MAW:pc



STATE OF NORTH CAROLINA
DEPARTMENT OF HUMAN RESOURCES
325 NORTH SALISBURY STREET
RALEIGH 27611

SARAH T. MORROW, M.D., M.P.H.
SECRETARY

TELEPHONE
919/733-4534

JAMES B. HUNT, JR.
GOVERNOR

May 14, 1984

Senator Dallas L. Alford, Jr., Co-Chairman
Representative George W. Brannan, Co-Chairman
LRC Committee on State-Owned Rental Housing
2129 State Legislative Building
Raleigh, North Carolina 27611

Dear Senator Alford and Representative Brannan:

As discussed in the Legislative Research Committee on Friday, May 11, 1984, the Department of Human Resources will dispose of unnecessary housing according to the alternatives as presented in Chapter 905 of the 1983 Session Laws.

Of the 161 rental housing units declared unnecessary, 122 will be sold for removal from the lot, and 39 will be converted to other uses. From the time the original count of rental housing units was accomplished, this Department has continued its policy disposing of or converting unnecessary housing to other uses. As a result of this, many of these housing units have already been offered for sale, and consequently may be sold, also many have already been converted to other uses.

Thank you for the opportunity to be a part of the State-Owned Rental Housing study, we appreciate your assistance in this matter.

Sincerely,

A handwritten signature in cursive script, reading "Jim Woodall".

Jim Woodall, Director
Budget and Analysis

JW/PC/ss

cc: E. Ann Christian - LRC Committee on State-Owned Rental Housing



NORTH CAROLINA
DEPARTMENT OF CORRECTION

840 W. Morgan Street

Raleigh, N. C. 27603

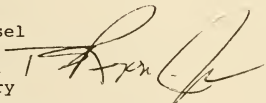
(919) 733-4926

JAMES C. WOODARD
Secretary

May 15, 1984

MEMORANDUM

TO: Ann Christian
Committee Counsel

FROM: T. S. Ryon, Jr. 
Deputy Secretary

RE: Department of Correction Owned Rental Housing

Per your telephone request, attached is a summary of the rental housing of the Department of Correction as provided by the DOA report of March 30, 1984.

TSR:ag

Attachment

N. C. DEPARTMENT OF CORRECTION

RENTAL HOUSING SUMMARY

May, 1984

<u>LOCATION</u>	<u>COMPLEX NO.</u>	<u>DEPARTMENTAL ESSENTIAL</u>	<u>DESIGNATION NON-ESSENTIAL</u>	<u>TOTAL</u>
Anson County Unit	0404		*1	1
Fountain Corr. Center	3301	9		9
Gates County Unit	3706	1		1
Halifax County Unit	4209	1		1
Caledonia Unit	4208	7		7
McCain Hospital	4701	1		1
Odom	6603	11		11
Cameron Morrison Youth Ctr.	7701	6		6
		<u>36</u>	<u>1</u>	<u>37</u>

*Has been converted to storage building for the unit.

